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USPS-T-30

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

DIRECT TESTIMONY
OF
THOMAS M. SCHERER
ON BEHALF OF
THE UNITED STATES POSTAL SERVICE

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LIST OF RELATED LIBRARY REFERENCES

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| USPS-LR-J-103 | Priority Mail Pricing Spreadsheets |
|---------------|------------------------------------|

1 **Autobiographical Sketch**

2 My name is Tom Scherer. I joined the Postal Service in March 1999 as an
3 Economist in the Pricing Department. I previously submitted testimony to the
4 Postal Rate Commission in Docket No. MC2001-1, Experimental Presorted
5 Priority Mail Rate Categories.

6 Before joining the Postal Service, I worked for 16 years as a financial and
7 economic analyst. I started my career as a financial analyst at American Can
8 Company. My responsibilities there included capital budgeting and investment
9 analysis, product costing, and working capital management. I then worked for 11
10 years as an economic/financial analyst for JACA Corp., an environmental
11 engineering and consulting firm. At JACA, I performed regulatory economic
12 impact analysis for the U.S. EPA and OSHA in support of the development of
13 about a dozen new air emissions and workplace exposure standards. I also
14 provided expert witness services to the EPA by determining – through
15 discounted-cash-flow analysis – the ability of noncomplying companies to pay
16 civil penalties in about 30 different regulatory enforcement cases. In the year
17 prior to joining the Postal Service, I worked as a steel industry analyst for CRU
18 International, a commodities research firm.

19 I received a BA in Economics with High Honors from Oberlin College in
20 1980, and an MBA in Finance from The Wharton School, University of
21 Pennsylvania, in 1982.

22 **I. Purpose and Scope of Testimony**

23 My testimony presents the Postal Service's proposed rates for Priority
24 Mail. These rates meet the cost coverage of 174 percent proposed for Priority

1 Mail by witness Moeller (USPS-T-28). This testimony also presents a proposed
2 change to the Priority Mail rate structure: rezoning rates in the 2-5 pound weight
3 increments. In addition, a classification change – tying the flat-rate-envelope rate
4 to the one-pound rate – is proposed. Finally in this testimony, I propose a new
5 fee for on-call and scheduled Priority Mail, Express Mail, and Parcel Post pick-
6 ups.

7 An electronic version of the attachments to this testimony has been filed
8 as USPS-LR-J-103.

9 **II. Priority Mail Characteristics**

10 **A. Service Description**

11 Priority Mail consists of letters, documents, and packages weighing up to
12 70 pounds. For mail pieces weighing more than 13 ounces, Priority Mail serves,
13 in part, as an extension of First-Class Mail. Priority Mail can also be used for
14 mail weighing 0-13 ounces to get such service features as delivery confirmation
15 and expedited handling.

16 Priority Mail competes in the two- to three-day package and document
17 delivery market. This market is competitive, with services also provided by
18 United Parcel Service, Federal Express, Airborne and others. However, Priority
19 Mail does not necessarily include all of the product features offered by these
20 competitors. For example, some competitors offer guarantees, free insurance,
21 free track-and-trace, and other services not included with Priority Mail.

1 The Colography Group, Inc. has charted shares of the "Second-Day and
2 Third-Day Air Letters and Packages" market.¹ Priority Mail's share of total pieces
3 in this market has declined from 62.8% in calendar year 1998, to 61.9% in 1999,
4 60.5% in 2000, 59.4% in 1st Quarter 2001, and 58.6% in 2nd Quarter 2001. The
5 "second-day and third-day air" market definition does not include *ground*
6 services, such as UPS Ground, which have comparable service standards to
7 Priority Mail and therefore compete with Priority Mail in the relatively close-in
8 zones (approximately Zones 1-4). When including such competition, Priority
9 Mail's market share is lower.

10 Currently, Priority Mail rates are unzoned for mail pieces weighing five
11 pounds or less and zoned for mail pieces weighing more than five pounds. In
12 addition, the Postal Service provides a flat-rate envelope mailable at the two-
13 pound rate regardless of the piece's actual weight. This testimony changes both
14 of these features of Priority Mail. First, I propose to zone the rates for pieces
15 weighing more than one pound. The one-pound rate, which applies to pieces
16 weighing one pound or less, will continue to be unzoned. Secondly, I propose to
17 make the flat-rate envelope mailable at the one-pound rate, rather than the two-
18 pound rate.

¹ See Attachment H.

Table 1
Priority Mail Volume History
(Millions of Pieces)

| <u>Fiscal Year</u> | <u>Volume</u> | <u>% Change From Year Before</u> | |
|--------------------|---------------|--|-----|
| 1970 | 185 | 1/ | |
| 1971 | 197 | 2/ | 6% |
| 1972 | 208 | | 6% |
| 1973 | 209 | | 0% |
| 1974 | 222 | | 6% |
| 1975 | 206 | | -7% |
| 1976 | 192 | 3/ | -7% |
| 1977 | 202 | | 5% |
| 1978 | 213 | 4/ | 5% |
| 1979 | 229 | | 8% |
| 1980 | 248 | | 8% |
| 1981 | 269 | | 8% |
| 1982 | 259 | | -4% |
| 1983 | 271 | | 5% |
| 1984 | 293 | | 8% |
| 1985 | 308 | | 5% |
| 1986 | 330 | | 7% |
| 1987 | 354 | | 7% |
| 1988 | 405 | 5/ | 14% |
| 1988(r) | 437 | 5/ | 8% |
| 1989 | 471 | | 8% |
| 1990 | 518 | | 10% |
| 1991 | 530 | | 2% |
| 1992 | 584 | | 10% |
| 1993 | 664 | | 14% |
| 1994 | 770 | | 16% |
| 1995 | 869 | | 13% |
| 1996 | 937 | | 8% |
| 1997 | 1,068 | | 14% |
| 1998 | 1,174 | | 10% |
| 1999 | 1,189 | 6/ | 1% |
| 2000 | 1,222 | | 3% |

1/ First-Class Mail weighing over 13 ounces and airmail weighing over 7 ounces

2/ Effective May 16, 1971, First-Class Mail weighing over 12 ounces and airmail weighing over 8 ounces

3/ Effective September 14, 1975, First-Class Mail weighing over 13 ounces and airmail weighing over 10 ounces

4/ Effective May 29, 1978, First-Class Mail weighing over 12 ounces

5/ Effective April 3, 1988, First-Class Mail weighing over 11 ounces

6/ Effective January 10, 1999, First-Class Mail weighing over 13 ounces

r = Recast to include penalty mail and franked mail. Following years are on the same basis.

1 **B. Volume Trends**

2 Table 1 presents historical Priority Mail volumes. For the ten-year period 1990 to
3 2000, Priority Mail volume grew at an average annual rate of 9.0 percent.² Growth was
4 constrained in 1999 and 2000 by the implementation on January 10, 1999 of Docket No.
5 R97-1, which increased the maximum weight for First-Class Mail from 11 to 13 ounces.
6 As a result, many 11-13 ounce Priority Mail pieces have migrated to First-Class Mail.
7 Cumulative migration through Fiscal Year 2001 was projected in Docket No. R2000-1 to
8 represent approximately 14 percent of total Priority Mail volume in Fiscal Year 1998, the
9 last full year before implementation of the classification change.³

10 Table 2 shows volume trends by zone from FY 1998 (the base year in the last
11 omnibus rate case, Docket No. R2000-1) to FY 2000 (the base year in the current rate
12 case) for all unzoned rate categories: the flat-rate envelope, and weight increments up to 5
13 pounds. Overall volume growth, 2.9%, is close to the cumulative 4% growth for 1999 and
14 2000 seen in Table 1. Reflecting in large part the migration of 11-13 ounce pieces to First-
15 Class Mail, volume expectedly declines at one pound (total = -14.3%), in contrast to the
16 other weight increments.

17 The most notable trend in Table 2, however, is the under-performance of volume in
18 Zones L, 1, 2 and 3. Across the board – at the flat rate and at each weight increment –
19 volume growth in these “nearby zones” is significantly lower than in Zones 4-8. For all
20 unzoned Priority Mail, volume in Zones L-3 fell by 6.7% from 1998 to 2000, against growth
21 ranging from 7.0% to 16.5% in Zones 4-8.

² The relatively low growth rate in 1991 was due at least in part to the implementation in February 1991 of Docket No. R90-1, which increased Priority Mail rates by 19%.

³ Docket No. R2000-1, USPS-LR-I-114 at 6.

TABLE 2
Unzoned Priority Mail Volume Trends By Zone,
GFY 1998 - GFY 2000

| Weight Increment | L,1,2&3 | Zone 4 | Zone 5 | Zone 6 | Zone 7 | Zone 8 | Total |
|-----------------------------|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Flat Rate | | | | | | | |
| 1998 Vol. | 52,558,408 | 17,043,249 | 17,721,400 | 11,363,191 | 6,976,840 | 15,487,696 | 121,150,784 |
| 2000 Vol. | 49,817,362 | 17,443,976 | 19,764,706 | 12,061,193 | 8,079,637 | 14,795,910 | 121,962,784 |
| % Change | -5.2% | 2.4% | 11.5% | 6.1% | 15.8% | -4.5% | 0.7% |
| 1-Pound | | | | | | | |
| 1998 Vol. | 209,176,613 | 52,685,372 | 56,202,710 | 32,417,994 | 22,774,813 | 45,016,996 | 418,274,497 |
| 2000 Vol. | 158,161,665 | 48,515,513 | 56,124,305 | 31,176,999 | 22,733,325 | 41,953,047 | 358,664,853 |
| % Change | -24.4% | -7.9% | -0.1% | -3.8% | -0.2% | -6.8% | -14.3% |
| 2-Pound | | | | | | | |
| 1998 Vol. | 177,008,898 | 52,251,966 | 57,030,187 | 30,328,607 | 22,147,586 | 43,573,311 | 382,340,554 |
| 2000 Vol. | 188,130,769 | 61,500,087 | 68,880,506 | 37,419,608 | 27,962,256 | 49,532,845 | 433,426,071 |
| % Change | 6.3% | 17.7% | 20.8% | 23.4% | 26.3% | 13.7% | 13.4% |
| 3-Pound | | | | | | | |
| 1998 Vol. | 49,443,071 | 17,571,130 | 20,217,526 | 12,012,390 | 8,848,366 | 16,099,148 | 124,191,630 |
| 2000 Vol. | 54,654,478 | 22,686,168 | 25,185,584 | 14,335,357 | 11,295,579 | 20,257,348 | 148,414,515 |
| % Change | 10.5% | 29.1% | 24.6% | 19.3% | 27.7% | 25.8% | 19.5% |
| 4-Pound | | | | | | | |
| 1998 Vol. | 19,821,443 | 7,692,489 | 8,853,678 | 5,535,943 | 4,035,304 | 7,737,691 | 53,676,548 |
| 2000 Vol. | 21,554,214 | 9,380,283 | 11,748,376 | 6,476,459 | 5,069,337 | 9,437,037 | 63,665,707 |
| % Change | 8.7% | 21.9% | 32.7% | 17.0% | 25.6% | 22.0% | 18.6% |
| 5-Pound | | | | | | | |
| 1998 Vol. | 9,484,867 | 3,505,600 | 4,598,621 | 2,588,927 | 2,048,030 | 4,053,384 | 26,279,429 |
| 2000 Vol. | 10,254,113 | 4,545,782 | 6,224,299 | 3,428,527 | 2,691,754 | 5,213,621 | 32,358,097 |
| % Change | 8.1% | 29.7% | 35.4% | 32.4% | 31.4% | 28.6% | 23.1% |
| Total, Unzoned | | | | | | | |
| 1998 Vol. | 517,493,299 | 150,749,806 | 164,624,121 | 94,247,053 | 66,830,939 | 131,968,225 | 1,125,913,443 |
| 2000 Vol. | 482,572,601 | 164,071,809 | 187,927,777 | 104,898,143 | 77,831,888 | 141,189,807 | 1,158,492,025 |
| % Change | -6.7% | 8.8% | 14.2% | 11.3% | 16.5% | 7.0% | 2.9% |

Source: Billing Determinants, FY 1998- 2000

1 **C. Rate History**

2 Priority Mail originated in 1968 from the merger of First-Class Mail weighing
3 over 13 ounces and air parcel post, with the rate structure evolving from the air
4 parcel post rates. Initially, Priority Mail rates were zoned for all weight steps. The
5 two-pound rate – which included all pieces weighing two pounds or less – was
6 unzoned in Docket No. R84-1. Later, in Docket No. R90-1, the three-pound through
7 five-pound rates were unzoned. Also pursuant to Docket No. R90-1, the flat-rate
8 envelope, pick-up service, and a presort discount were introduced. The Priority Mail
9 presort discount was eliminated in January 1999 following Docket No. R97-1.
10 Delivery confirmation service was implemented in March 1999, with the cost of the
11 base (electronic) portion of the service included in Priority Mail rates. In January
12 2001, following Docket No. R2000-1, the joint one-pound/two-pound rate (still
13 unzoned) was decomposed into separate unzoned one-pound (for pieces weighing
14 one pound or less) and two-pound (for pieces weighing over a pound and up to two
15 pounds) rates. Pursuant to Docket No. MC2001-1, presort discounts were
16 reintroduced in July 2001 on an experimental basis for a limited number of
17 customers.

18 Table 3, below, shows average Priority Mail rate increases in the last five
19 omnibus rate cases. The average rate increase in the last rate case, Docket No.
20 R2000-1, was 17.2%. The two-pound rate increased by 23.4% from \$3.20 to \$3.95.
21 This can be explained in part by the decoupling of the one- and two-pound rates; the
22 two-pound rate is no longer pulled down by weight-rated pieces weighing one pound
23 and under.

Table 3
Priority Mail Rate Changes,
1988- 2001

| Rate Case | Implementation Date | Average Priority Mail Rate Change | Two-Pound Rate |
|------------------|----------------------------|--|-----------------------|
| R87-1 | April 3, 1988 | 0% | \$2.40 |
| R90-1 | February 3, 1991 | 19.0% | \$2.90 |
| R94-1 | January 1, 1995 | 4.8% | \$3.00 |
| R97-1 | January 10, 1999 | 5.6% | \$3.20 |
| R00-1 | January 7, 2001 | 17.2% | \$3.95 |

III. Priority Mail Rate Design

A. Overview

In designing Priority Mail rates, test-year-before-rates (TYBR) costs are separated into two categories: non-weight-related and weight-related. The non-weight-related costs are the basis for a "per-piece rate element," which is the same for all rate cells. The weight-related costs are the basis for a "per-pound rate element," which naturally varies by weight increment, but also by zone depending on transportation costs that vary by distance shipped ("distance-related transportation costs").

Table 4
Priority Mail Financial Summary
Test Year Volumes, Revenues, Costs

| <u>Test Year Before Rates</u> | | |
|---|-------------------------------------|-------------------|
| (a) Attachment B, p. 3 | Volume (pieces) | 1,257,064 (000) |
| (b) Attachment B, p. 7 | Revenue at current rates | \$5,821,243 (000) |
| (c) = (b) / (a) | Revenue per piece | \$4.63 |
| (d) USPS-T-12, Workpaper F, Table E | Total adjusted volume-variable cost | \$3,674,718 (000) |
| (e) USPS-T-6 | Contingency | 3.0% |
| (f) = (d) * [1+ (e)] | Vol.-var. cost with contingency | \$3,784,960 (000) |
| (g) = (f) / (a) | Cost per piece | \$3.01 |
| (h) = (c) / (g) | Cost coverage at current rates | 154% |
| <u>Test Year After Rates</u> | | |
| (i) Attachment C, p. 4 | Volume (pieces) | 1,178,757 (000) |
| (j) Attachment C, p. 9 | Revenue at proposed rates | \$6,195,396 (000) |
| (k) = (j) / (i) | Revenue per piece | \$5.26 |
| (l) USPS-T-12, Workpaper H, Table E | Total adjusted volume-variable cost | \$3,464,186 (000) |
| (m) USPS-T-6 | Contingency | 3.0% |
| (n) = (l) * [1 + (m)] | Vol.-var. cost with contingency | \$3,568,112 (000) |
| (o) = (n) / (i) | Cost per piece | \$3.03 |
| (p) = (k) / (o) | Cost coverage at proposed rates | 174% |
| (q) = [(k) - (c)] / (c) | Average rate increase | 13.5% |
| <u>Pick-up Service, TYAR</u> | | |
| (r) Attachment G | Revenue at proposed rates | \$3,270 (000) |
| (s) Attachment G | Costs with contingency | \$3,326 (000) |
| (t) USPS-T-33, WP-15 | <u>Fee Revenue, TYAR</u> | \$1,417 (000) |
| <u>Total Test Year After Rates</u> | | |
| (u) = (i) | Total volume | 1,178,757 (000) |
| (v) = (j) + (r) + (t) | Total revenue | \$6,200,083 (000) |
| (w) = (n) + (s) | Total cost with contingency | \$3,571,438 (000) |
| (x) = (v) / (w) | Cost coverage | 174% |

Table 5
Proposed Priority Mail Rates

| Weight up to <u>(pounds):</u> | Zones | <u>L,1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> |
|-------------------------------------|-------|--------------------|---------------|---------------|---------------|---------------|---------------|
| Flat Rate | \$ | 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 |
| 1 | \$ | 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 |
| 2 | \$ | 3.95 | \$ 4.55 | \$ 4.90 | \$ 5.05 | \$ 5.40 | \$ 5.75 |
| 3 | \$ | 4.75 | \$ 6.05 | \$ 6.85 | \$ 7.15 | \$ 7.85 | \$ 8.55 |
| 4 | \$ | 5.30 | \$ 7.05 | \$ 8.05 | \$ 8.50 | \$ 9.45 | \$ 10.35 |
| 5 | \$ | 5.85 | \$ 8.00 | \$ 9.30 | \$ 9.85 | \$ 11.00 | \$ 12.15 |
| 6 | \$ | 6.30 | \$ 8.85 | \$ 9.90 | \$ 10.05 | \$ 11.30 | \$ 12.30 |
| 7 | \$ | 6.80 | \$ 9.80 | \$ 10.65 | \$ 11.00 | \$ 12.55 | \$ 14.05 |
| 8 | \$ | 7.35 | \$ 10.75 | \$ 11.45 | \$ 11.95 | \$ 13.80 | \$ 15.75 |
| 9 | \$ | 7.90 | \$ 11.70 | \$ 12.20 | \$ 12.90 | \$ 15.05 | \$ 17.50 |
| 10 | \$ | 8.40 | \$ 12.60 | \$ 13.00 | \$ 14.00 | \$ 16.30 | \$ 19.20 |
| 11 | \$ | 8.95 | \$ 13.35 | \$ 13.75 | \$ 15.15 | \$ 17.55 | \$ 20.90 |
| 12 | \$ | 9.50 | \$ 14.05 | \$ 14.50 | \$ 16.30 | \$ 18.80 | \$ 22.65 |
| 13 | \$ | 10.00 | \$ 14.75 | \$ 15.30 | \$ 17.50 | \$ 20.05 | \$ 24.35 |
| 14 | \$ | 10.55 | \$ 15.45 | \$ 16.05 | \$ 18.60 | \$ 21.25 | \$ 26.05 |
| 15 | \$ | 11.05 | \$ 16.20 | \$ 16.85 | \$ 19.75 | \$ 22.50 | \$ 27.80 |
| 16 | \$ | 11.60 | \$ 16.90 | \$ 17.60 | \$ 20.85 | \$ 23.75 | \$ 29.50 |
| 17 | \$ | 12.15 | \$ 17.60 | \$ 18.35 | \$ 22.05 | \$ 25.00 | \$ 31.20 |
| 18 | \$ | 12.65 | \$ 18.30 | \$ 19.30 | \$ 23.15 | \$ 26.25 | \$ 32.95 |
| 19 | \$ | 13.20 | \$ 19.00 | \$ 20.20 | \$ 24.30 | \$ 27.50 | \$ 34.65 |
| 20 | \$ | 13.75 | \$ 19.75 | \$ 21.15 | \$ 25.35 | \$ 28.75 | \$ 36.40 |
| 21 | \$ | 14.25 | \$ 20.45 | \$ 22.05 | \$ 26.55 | \$ 30.00 | \$ 38.10 |
| 22 | \$ | 14.80 | \$ 21.15 | \$ 22.95 | \$ 27.65 | \$ 31.20 | \$ 39.80 |
| 23 | \$ | 15.30 | \$ 21.85 | \$ 23.90 | \$ 28.80 | \$ 32.45 | \$ 41.55 |
| 24 | \$ | 15.85 | \$ 22.55 | \$ 24.85 | \$ 29.90 | \$ 33.70 | \$ 43.25 |
| 25 | \$ | 16.40 | \$ 23.30 | \$ 25.75 | \$ 31.10 | \$ 34.95 | \$ 44.95 |
| 26 | \$ | 16.90 | \$ 24.00 | \$ 26.60 | \$ 32.25 | \$ 36.20 | \$ 46.70 |
| 27 | \$ | 17.45 | \$ 24.70 | \$ 27.55 | \$ 33.35 | \$ 37.45 | \$ 48.40 |
| 28 | \$ | 18.00 | \$ 25.40 | \$ 28.50 | \$ 34.50 | \$ 38.70 | \$ 50.15 |
| 29 | \$ | 18.50 | \$ 26.15 | \$ 29.45 | \$ 35.60 | \$ 39.95 | \$ 51.85 |
| 30 | \$ | 19.05 | \$ 26.85 | \$ 30.35 | \$ 36.80 | \$ 41.20 | \$ 53.55 |
| 31 | \$ | 19.55 | \$ 27.55 | \$ 31.20 | \$ 37.85 | \$ 42.40 | \$ 55.30 |
| 32 | \$ | 20.10 | \$ 28.25 | \$ 32.15 | \$ 39.00 | \$ 43.65 | \$ 57.00 |
| 33 | \$ | 20.65 | \$ 28.95 | \$ 33.10 | \$ 40.10 | \$ 44.90 | \$ 58.70 |
| 34 | \$ | 21.15 | \$ 29.70 | \$ 34.00 | \$ 41.25 | \$ 46.15 | \$ 60.45 |
| 35 | \$ | 21.70 | \$ 30.40 | \$ 34.95 | \$ 42.40 | \$ 47.40 | \$ 62.15 |

Table 5 (Continued)
Proposed Priority Mail Rates

| Weight up to (pounds): | Zones | Zone 1,2&3 | Zone 4 | Zone 5 | Zone 6 | Zone 7 | Zone 8 |
|------------------------------|-------|------------|----------|----------|----------|----------|-----------|
| 36 | \$ | 22.25 | \$ 31.10 | \$ 35.85 | \$ 43.55 | \$ 48.65 | \$ 63.85 |
| 37 | \$ | 22.75 | \$ 31.95 | \$ 36.80 | \$ 44.65 | \$ 49.90 | \$ 65.60 |
| 38 | \$ | 23.30 | \$ 32.65 | \$ 37.70 | \$ 45.85 | \$ 51.15 | \$ 67.30 |
| 39 | \$ | 23.75 | \$ 33.50 | \$ 38.65 | \$ 47.00 | \$ 52.40 | \$ 69.05 |
| 40 | \$ | 24.25 | \$ 34.30 | \$ 39.60 | \$ 48.10 | \$ 53.60 | \$ 70.75 |
| 41 | \$ | 24.70 | \$ 35.00 | \$ 40.45 | \$ 49.25 | \$ 54.85 | \$ 72.45 |
| 42 | \$ | 25.20 | \$ 35.85 | \$ 41.35 | \$ 50.30 | \$ 56.15 | \$ 74.20 |
| 43 | \$ | 25.65 | \$ 36.60 | \$ 42.30 | \$ 51.50 | \$ 57.40 | \$ 75.90 |
| 44 | \$ | 26.15 | \$ 37.40 | \$ 43.25 | \$ 52.60 | \$ 58.70 | \$ 77.60 |
| 45 | \$ | 26.60 | \$ 38.20 | \$ 44.15 | \$ 53.75 | \$ 59.95 | \$ 79.35 |
| 46 | \$ | 27.10 | \$ 39.00 | \$ 45.05 | \$ 54.85 | \$ 61.20 | \$ 81.05 |
| 47 | \$ | 27.55 | \$ 39.75 | \$ 46.00 | \$ 56.05 | \$ 62.50 | \$ 82.75 |
| 48 | \$ | 28.05 | \$ 40.60 | \$ 46.95 | \$ 57.20 | \$ 63.75 | \$ 84.50 |
| 49 | \$ | 28.50 | \$ 41.35 | \$ 47.80 | \$ 58.30 | \$ 65.05 | \$ 86.20 |
| 50 | \$ | 28.95 | \$ 42.15 | \$ 48.75 | \$ 59.45 | \$ 66.30 | \$ 87.95 |
| 51 | \$ | 29.45 | \$ 42.95 | \$ 49.65 | \$ 60.55 | \$ 67.55 | \$ 89.65 |
| 52 | \$ | 29.90 | \$ 43.75 | \$ 50.60 | \$ 61.75 | \$ 68.80 | \$ 91.35 |
| 53 | \$ | 30.40 | \$ 44.50 | \$ 51.50 | \$ 62.85 | \$ 70.05 | \$ 93.10 |
| 54 | \$ | 30.85 | \$ 45.25 | \$ 52.45 | \$ 63.95 | \$ 71.30 | \$ 94.80 |
| 55 | \$ | 31.35 | \$ 46.10 | \$ 53.40 | \$ 65.05 | \$ 72.50 | \$ 96.50 |
| 56 | \$ | 31.80 | \$ 46.85 | \$ 54.25 | \$ 66.25 | \$ 73.75 | \$ 98.25 |
| 57 | \$ | 32.30 | \$ 47.65 | \$ 55.15 | \$ 67.35 | \$ 75.00 | \$ 99.95 |
| 58 | \$ | 32.75 | \$ 48.45 | \$ 56.10 | \$ 68.50 | \$ 76.25 | \$ 101.65 |
| 59 | \$ | 33.25 | \$ 49.25 | \$ 57.05 | \$ 69.60 | \$ 77.50 | \$ 103.40 |
| 60 | \$ | 33.70 | \$ 50.00 | \$ 58.00 | \$ 70.80 | \$ 78.75 | \$ 105.10 |
| 61 | \$ | 34.20 | \$ 50.85 | \$ 58.85 | \$ 71.95 | \$ 80.00 | \$ 106.85 |
| 62 | \$ | 34.65 | \$ 51.55 | \$ 59.80 | \$ 73.05 | \$ 81.25 | \$ 108.55 |
| 63 | \$ | 35.15 | \$ 52.40 | \$ 60.75 | \$ 74.20 | \$ 82.50 | \$ 110.25 |
| 64 | \$ | 35.60 | \$ 53.20 | \$ 61.70 | \$ 75.35 | \$ 83.70 | \$ 112.00 |
| 65 | \$ | 36.10 | \$ 53.90 | \$ 62.50 | \$ 76.45 | \$ 84.95 | \$ 113.70 |
| 66 | \$ | 36.55 | \$ 54.75 | \$ 63.45 | \$ 77.55 | \$ 86.20 | \$ 115.40 |
| 67 | \$ | 37.05 | \$ 55.60 | \$ 64.40 | \$ 78.70 | \$ 87.45 | \$ 117.15 |
| 68 | \$ | 37.50 | \$ 56.30 | \$ 65.35 | \$ 79.80 | \$ 88.70 | \$ 118.85 |
| 69 | \$ | 38.00 | \$ 57.10 | \$ 66.25 | \$ 81.00 | \$ 89.95 | \$ 120.55 |
| 70 | \$ | 38.45 | \$ 57.95 | \$ 67.15 | \$ 82.10 | \$ 91.20 | \$ 122.30 |

1 **B. Development of “Per-Piece Rate Element”⁴**

2 The per-piece rate element is developed by subtracting total
3 transportation costs and weight-related non-transportation costs (2 cents per
4 pound, as in previous rate cases) from TYBR total volume-variable costs. This
5 cost is increased for the contingency and the Priority Mail markup to determine
6 the total cost to be recovered on a per-piece basis. The result is divided by
7 volume to give the per-piece rate element.

8 **C. Development of “Per-Pound Rate Element”⁵**

9 The per-pound rate element is developed by distributing total air and total
10 surface transportation costs, TYBR, to distance- and nondistance-related
11 components. This distribution relies on two inputs from USPS-LR-J-43 at 12:
12 46.8% of Priority Mail surface transportation costs in the test year (FY 2003) are
13 distance-related, and 16.9% of Priority Mail air transportation costs in the test
14 year are distance-related. The 16.9% factor for air transportation has fallen from
15 46.8% in Docket No. R2000-1 largely because the new FedEx transportation
16 contract has no distance-related elements.⁶ The decrease causes a lower
17 dispersion of zoned rates particularly between Zones 5 and 8, where the use of
18 air transportation (as opposed to surface transportation) is predominant.

19 Nondistance-related air transportation costs are distributed to zones
20 based on total pounds flown. This information (as well as the average haul per
21 zone) is available for commercial air and for all other Priority Mail air networks

⁴ See Attachment D.

⁵ See Attachment E.

1 combined from USPS-LR-J-96 at 13. Distance-related air transportation costs
2 are distributed to zones based on air pound-miles. Air pound-miles are
3 calculated for each zone by multiplying total commercial air pounds by average
4 haul.

5 Nondistance-related surface transportation costs are distributed to all
6 zones based on total postage pounds. Distance-related surface transportation
7 costs are distributed only to Zones L-3 and 4 based on surface pound-miles.
8 Zones L-3 surface pound-miles are developed by subtracting Local pounds and
9 Zones L-3 air pounds from total Zones L-3 pounds. The result is multiplied by a
10 250-mile average haul. Zone 4 surface pound-miles are developed by
11 subtracting Zone 4 air pounds from total Zone 4 pounds and multiplying the
12 result by a 350-mile average haul.

13 For each zone, total distributed transportation costs are then summed and
14 divided by total postage pounds to arrive at the total transportation cost per
15 pound. A two-cent, weight-related non-transportation cost per pound (as
16 recommended by the Postal Rate Commission in previous rate cases) is added
17 to the total transportation cost per pound to arrive at the total per-pound cost by
18 zone. Anomalously, the Zone 7 per-pound cost is below the Zone 6 per-pound
19 cost (see Attachment E, p. 3, column (j)). As a smoothing convention, the Zone 7
20 per-pound cost is set in column (k) at midway between the Zone 6 and Zone 8
21 costs. All per-pound costs by zone are then increased for the contingency and
22 the Priority Mail markup to determine the per-pound rate element for each zone.

⁶ Docket No. R2000-1, USPS-LR-I-60 at 9, 10. Note: the 46.8% factor for air transportation in Docket No. R2000-1 is no relation to the 46.8% factor for surface transportation in the current rate

1 **D. Rate Impacts of Transportation Costs**

2 Transportation costs – which as explained above are treated as weight-
3 related and included in the per-pound rate element – account for a significantly
4 larger share of total Priority Mail volume-variable costs than in the previous
5 omnibus rate case, Docket No. R2000-1. In that case, transportation's share
6 (including the "Emery Adjustment") of total adjusted volume-variable costs,
7 TYBR, was 28.3% (\$900,742,000 out of \$3,183,801,000).⁷ In the current case,
8 transportation accounts for 38.5% (\$1,414,237,000) of total adjusted volume-
9 variable costs (\$3,674,718,000).⁸ The increase has two primary explanations.
10 First, transportation costs for Priority Mail in the test year have gone up as a
11 result of the FedEx transportation contract. Second, the PMPC contract with
12 Emery Worldwide Airlines was on a per-piece basis that did not allow for
13 identification of transportation costs. In Docket No. R2000-1, these costs were
14 bundled with all other Emery costs and recorded in Cost Segment 16, Supplies
15 and Services. Now, unbundled, they are being recorded in Cost Segment 14,
16 Purchased Transportation.

17 The effect on the rate design of the shift to a more transportation-intensive
18 cost structure is – in comparison to Docket No. R2000-1 – a greater percentage
19 increase in the per-pound rate elements than the per-piece rate element. This is
20 putting upward pressure on rates for relatively heavyweight pieces. Most rate
21 impacts over 5 pounds would be considered excessive without mitigation. All rate

case.

⁷ Docket No. R2000-1, USPS-T-34, Attachment F and Attachment G, Page 1 (A).

⁸ See Attachment D.

1 impacts over 5 pounds are therefore constrained to a maximum of +18.5%, 5
2 percentage points above the subclass average rate increase of 13.5% (see
3 Attachment F, Pages 5 and 6). As a result of these constraints, implicit cost
4 coverages over 5 pounds fall to below the subclass average. This is a reversal
5 from Docket No. R2000-1, where cost coverages over 5 pounds were above the
6 subclass average.

7 The constraints over 5 pounds result in a revenue deficiency of \$72.3
8 million that must be recovered from the flat-rate envelope and from pounds 1-5
9 by setting their rates above the levels implied by the per-piece and per-pound
10 rate elements. About one-quarter of the revenue deficiency is recovered from the
11 joint flat rate/one-pound rate (Attachment F, Pages 8-10) and the rest from the
12 rates at 2-5 pounds (Attachment F, Pages 11-13). This results in average implicit
13 cost coverages that are consistent from 1 to 5 pounds (see Attachment F, Page
14 17).⁹ Final proposed rates (see Table 5) are rounded to the nearest five-cent
15 increment.

16 **E. Rezoning Pounds 2-5**

17 Rate impacts up to 5 pounds are not similarly constrained because I
18 propose in this testimony to rezone rates in the weight increments from 2 to 5
19 pounds (affecting all weight-rated pieces over one pound, up to five pounds). De-
20 averaging these rates results in impacts ranging from -24.0% for 5 pounds to
21 Zones L-3, to +64.4% for 3 pounds to Zone 8 (see Attachment F, Page 16).

⁹ The calculated implicit cost coverages in Attachment F, Page 17 are not on the same basis as the total subclass cost coverage calculated at the bottom of Attachment C, Page 9. For example, the RPW revenue adjustment factor of 101.24%, which has the effect – by boosting revenue – of increasing the calculated cost coverage, is applied to the latter but not the former.

1 The main reason for proposing rezoning is to stem the erosion of nearby-
2 zone volume evidenced in Table 2. Competitors are charging zoned rates that,
3 compared to Priority Mail's unzoned rates, are relatively more attractive to
4 customers for shorter hauls and relatively less attractive for longer hauls.
5 Software is readily available to indicate the cost-saving choice to customers for
6 given weights, zones, and service standards. The market for ground service to
7 local/nearby zones has also become more competitive, especially since the
8 introduction of "guaranteed," day-certain delivery to commercial addresses by
9 UPS Ground in 1998. For customers who receive a daily pick-up, UPS Ground
10 guarantees 1-, 2- or 3-day delivery to commercial addresses approximately
11 within four zones, at published rates that are very competitive with Priority Mail.
12 For example, according to UPS's web site, the 2-pound rate is \$3.18 per piece to
13 Zone 2 and \$3.72 to Zone 4.¹⁰

14 The contribution that Priority Mail makes to institutional costs, measured
15 as revenue minus volume-variable costs, declines when the mail mix in unzoned
16 rate categories shifts toward longer hauls. That is because long hauls are more
17 costly, and produce less cost coverage, than short hauls. With the decline in
18 contribution, there is then pressure on rates to rise throughout the subclass.

19 By approximating underlying costs more closely than unzoned rates,
20 zoned rates can help stop the erosion of nearby-zone volume in the 2-5 pound
21 weight increments. Customers will not have to pay as much for shorter hauls that
22 cost less, but will be asked to pay more for longer hauls that cost more. Rate

¹⁰ See www.ups.com/using/software/currentrates/rate-pdf/gndcomm.pdf. The quoted rates exclude pick-up charges. A \$1.05 per-piece surcharge is assessed for residential deliveries.

1 incentives will no longer favor any one zone over another. Implicit cost coverage
2 will not decrease, but will remain essentially constant going out in zones.

3 Changed circumstances also favor a shift back to zoned rates. When the
4 Postal Service proposed unzoned rates for the 3-5 pound weight increments in
5 Docket No. R90-1, it was argued that such rates would "enable customers to
6 drop off virtually all of their Priority Mail packages in collection boxes."¹¹ This no
7 longer holds for Priority Mail packages weighing one pound or more that bear
8 postage stamps. Since August 1996, such packages, for airline security reasons,
9 cannot be deposited in a collection box. Therefore, an unzoned rate over one
10 pound no longer avoids a trip to the post office for customers using postage
11 stamps, and rezoning from 2-5 pounds will not take away any collection-box
12 convenience from stamped Priority Mail pieces.

13 Metered Priority Mail pieces can also be deposited in a collection box, with
14 certain restrictions. For example, DMM Section P030.5.4a extends this
15 opportunity only to Priority Mail pieces that are not zone-rated. The Postal
16 Service now considers this restriction unnecessary, however. Metering
17 technology, associated software, online rate calculators, and easily available
18 zone charts (for example, in a one-page format from www.usps.com) can allow
19 zoned-rate customers to calculate and pay proper postage. In addition, the meter
20 stamp on a mail piece provides traceable information to meet USPS security
21 needs. Even prior to the present proposal to rezone Priority Mail rates in the 2-5
22 pound weight increments, USPS Mail Preparation and Standards had drafted
23 revised DMM language to eliminate the Section P030.5.4a restriction. The

1 revised language is scheduled to be published in the Postal Bulletin on October
2 4, 2001, and will allow – effective that same day – metered Priority Mail to be
3 deposited in a collection box, whether zoned or unzoned. As a result, the
4 proposed rezoning of pounds 2-5 will not take away a collection-box convenience
5 currently enjoyed by any metered pieces.

6 Another argument for unzoned rates offered by the Postal Service in
7 Docket No. R90-1 was that they were the industry standard.¹² This also no
8 longer applies. The industry norm is now zoned, or distance-based, pricing. In
9 fact, no major competitors of Priority Mail are known to have unzoned rates.

10 Rezoning the rates from 2-5 pounds is consistent with pricing criterion
11 3622b(2), which considers "the value of the mail service actually provided,"
12 "including....mode of transportation." There are great differences among Priority
13 Mail zones in this respect: while surface transportation is used almost exclusively
14 to move Priority Mail to Zones L-3, more-costly air transportation is used almost
15 exclusively to Zones 5-8. The proposal to rezone also comports with pricing
16 criterion 3622b(5), which considers "the available alternative means of sending
17 and receiving letters and other mail matter at reasonable costs." As discussed
18 above, alternatives to Priority Mail are available at very competitive rates,
19 especially in the nearby zones, where, as a result of averaging, Priority Mail rates
20 have been out of proportion to costs.

21 For the sake of consumer convenience, the one-pound rate is proposed to
22 remain unzoned. Currently, Priority Mail packages weighing less than a pound

¹¹ Docket No. R90-1, USPS-T-18 at 128, lines 5-7.

¹² Docket No. R90-1, USPS-T-18 at 129, lines 1-3.

1 that bear postage stamps can be deposited in a collection box, avoiding the
2 need to tender the packages at a post office retail window. Zoning the one-
3 pound rate would undermine this collection-box convenience because customers
4 would be responsible for knowing the correct zone and its associated rate. This
5 would increase the need for customers to travel to and stand in line at post
6 offices. If, instead, the one-pound rate remains unzoned, customers only have to
7 ensure that a package weighs less than a pound in order to take advantage of
8 the collection-box convenience. As we will see in the next section, an unzoned
9 one-pound rate is also a simple and convenient tie-in for the flat-rate-envelope
10 rate.

11 Rezoning the rates from 2 to 5 pounds may result in some "zone-
12 skipping," i.e., the depositing of mail closer to its destination in order to take
13 advantage of lower closer-zone rates. No assumptions for zone-skipping are built
14 into my rate design model. Any such assumptions would be highly speculative.
15 The amount of zone-skipping may ultimately depend on the extent to which a
16 mail-consolidation market develops to serve Priority Mail. Also, if zone-skipping
17 occurs, there is some protection against declining revenue from proportionately
18 (since implicit cost coverage is essentially constant across zones after rezoning)
19 declining volume-variable costs.

20 **F. Flat-Rate Envelope**

21 Rezoning at two pounds requires establishing a new basis for the flat-rate-
22 envelope rate (currently, the flat rate is set equal to the two-pound rate). There
23 are two options: set the flat rate equal to the one-pound rate, or establish an

1 independent weight basis for the flat rate. The latter approach was examined
2 based on an average weight for flat-rate envelopes of 1.543 pounds.¹³ The
3 problem with this approach is that the zoned, upward-sloping two-pound rate
4 undercuts the flat rate in Zones L-3. Flat-rate customers would be at risk of
5 missing the opportunity to save at two pounds in Zones L-3.¹⁴ What is
6 particularly troubling is that customers would need to be aware of the
7 demarcation between Zone 3 and Zone 4 in order to make the cost-saving
8 choice.

9 The much better approach is to tie the flat rate to the one-pound rate. This
10 has several advantages. First, customers no longer risk using flat-rate envelopes
11 weighing up to a pound and missing the opportunity to save at the one-pound
12 rate. Second, the Postal Service no longer needs to offer the "EP-14G" weight-
13 rated envelope, which was introduced in Docket No. R2000-1 as a convenience
14 to one-pound customers after the one-pound rate was set lower than the flat
15 rate. With the one-pound and flat rates proposed as the same, the "EP-14F" flat-
16 rate envelope serves all purposes of the weight-rated envelope. Third, extending
17 economical use of the flat-rate envelope to one pound and under (currently the
18 one-pound rate is the cost-saving choice in this range) results in increased
19 opportunities to deposit stamped flat-rate envelopes in collection boxes and
20 therefore enhances the convenience of the flat-rate envelope.

¹³ This weight – calculated in Attachment B, Page 2(A) – follows from the assumption that after the establishment in Docket No. R2000-1 of an independent one-pound rate, all flat-rate pieces weighing up to a pound will migrate to the lower one-pound rate. (In Attachments B and C, this is referred to as the "R2000-1 One-Pound Rate Effect.")

¹⁴ Such a risk already exists for users of flat-rate envelopes weighing up to a pound, who can save \$3.95 - \$3.50 = 45 cents at the one-pound rate.

1 One implication of attaching the flat rate to the one-pound rate is a
2 reversal of the migration from flat-rate envelopes weighing one pound or less to
3 the less-expensive one-pound rate, projected for the aftermath of Docket No.
4 R2000-1¹⁵ – and reflected in Attachment B, Pages 2 and 3. This is because the
5 one-pound rate is no longer below the flat rate. This reversal of the “R2000-1
6 One-Pound Rate Effect” is represented in Attachment C, Page 1.

7 Another implication of attaching the flat rate to the one-pound rate is that
8 with the flat rate now lower than the two-pound rate, some migration from two
9 pounds to the flat-rate envelope can be expected to occur. This migration is
10 modeled in Attachment C, Page 3. The candidate population for migration is
11 posited as flats and letters. This assumes no migration of parcels, some of
12 which, technically, can fit into a flat-rate envelope. As indicated in column (b) of
13 Attachment C, Page 3, in Government Fiscal Year (GFY) 2000, 39.1% of all
14 volume in Zones L-3 rated at 2 pounds and weighing 1-2 pounds was flats or
15 letters. This percentage drops for Zones 4-8, ranging from 17.4% (Zone 7) to
16 22.9% (Zone 4).

17 How much of this “candidate population” will migrate is uncertain. Several
18 factors were considered in the assumption employed. First, most migration is
19 likely to come from commercial mailers. Although the flat-rate envelope and two-
20 pound pieces are currently priced the same, retail mailers are liable to be already
21 opting for the flat-rate envelope due to its convenient availability at post offices.
22 Second, while more migration can be expected to occur as the zones become

¹⁵ See Docket No. R2000-1, USPS-T-34, Attachment C, page 1 (B) and (C); and Attachment C, page 2.

1 more distant (because the rate differential between 2 pounds and the flat-rate
2 envelope increases), the slope of this function is not likely to be steep because
3 commercial mailers have an incentive to respond, when feasible, to a cost-
4 saving rate differential of any size. A third factor is the feasibility of responding.
5 Many commercial mailers are likely to find it impractical to switch to the flat-rate
6 envelope because it doesn't fit into their production, distribution, or marketing
7 schemes.

8 With all of this in mind, the share of the candidate 2-pound flats and
9 letters volume migrating to the flat-rate envelope is posited in Attachment C,
10 Page 3, column (c) as 25% in Zones L-3 (where the differential between the 2-
11 pound rate and the flat rate is only 10 cents), 30% in Zone 4, 32.5% in Zone 5,
12 35% in Zone 6, 37.5% in Zone 7, and 40% in Zone 8. Total migration is 34.2
13 million pieces, causing flat-rate-envelope volume in the Test Year After Rates
14 (TYAR) to increase by 29.1% from 117.6 million to 151.8 million, and 2-pound
15 volume to decrease by 8.2% from 417.9 million to 383.7 million. The average
16 weight of a flat-rate envelope also increases, from 0.632 pounds (after reversal
17 of the "R2000-1 One-Pound Rate Effect" – see Attachment C, Page 2) to 0.813
18 pounds (see Attachment C, Page 5).

19 Another assumption in this methodology is that there is no migration from
20 over 2 pounds (e.g., pieces rated at 3 pounds or 4 pounds) to the flat-rate
21 envelope, even though the rate differential increases. It is presumed that any
22 migration will have already been prompted by the current positive rate
23 differential.

1 From Attachment F, Page 8, it can be calculated that tying the flat rate to
2 the one-pound rate results in a “push-up” on the latter of 3.6 cents per piece.¹⁶
3 Without the migration from 2 pounds to the flat-rate envelope, there would be a
4 push-down of 1.2 cents. This is because the flat-rate envelope, at 0.632 pounds
5 on average, would be lighter than one-pound pieces, at 0.696 pounds on
6 average (see Attachment C, page 2, column (e)). So the effect of the migration
7 from 2 pounds to the flat-rate envelope is to push up the one-pound rate by 3.6
8 cents + 1.2 cents = 4.8 cents.

9 As a classification change, tying the flat-rate-envelope rate to the one-
10 pound rate must be considered against the six classification criteria in Section
11 3623(c) of Title 39, U.S.C. The most applicable criteria are No. 1, which
12 addresses fairness and equity; No. 2, which addresses the “value” of “mail
13 matter;” and No. 5, which addresses “desirability” to both the Postal Service and
14 customers.

15 Tying the flat rate to the one-pound rate is fair and equitable (criterion 1)
16 because processing and transportation costs are comparable for flat-rate
17 envelopes and one-pound pieces. This follows from their average weights being
18 in the same range: while one-pound pieces weigh 0.696 pounds on average, flat-
19 rate envelopes are projected to weigh 0.813 pounds on average after the
20 migration of 34.2 million two-pound pieces.¹⁷ Fairness and equity (criterion 1) is
21 also served by eliminating the possibility that some flat-rate customers will miss
22 the opportunity to save at the lower one-pound rate.

¹⁶ Average revenue per piece, before setting the joint rate, from an independent one-pound rate is \$3.778, compared to \$3.814 for the joint one-pound/flat rate.

1 Tying the flat rate to the one-pound rate will also extend economical use
2 of the flat-rate envelope to one pound and under (currently the one-pound rate is
3 the cost-saving choice in this range). This will increase use of the flat-rate
4 envelope, a convenience item, and will result in increased opportunities for
5 customers to deposit stamped flat-rate envelopes in collection boxes without
6 taking them to a retail window to be weighed and rated. These results enhance
7 the value of flat-rate envelopes (criterion 2) and are desirable to customers
8 (criterion 5). The proposed classification change is also desirable to both
9 customers and the Postal Service (criterion 5) because it eliminates the need for
10 the “EP-14G” weight-rated envelope. Only the “EP-14F” flat-rate envelope will be
11 needed. One rather than two envelopes will present customers with an easier
12 choice, and will be simpler (and perhaps less costly) for the Postal Service to
13 provide.

14 **G. Rate Structure Simplicity**

15 Rezoning the rates from 2-5 pounds does sacrifice some simplicity in the
16 rate structure (Section 3622b, criterion 7). There is a tradeoff between managing
17 price (in line with costs) and simplicity. However, the resulting rate schedule
18 remains relatively simple. The rezoned rates continue to be offered in a simple,
19 two-dimensional “weight x zone” framework. The one-pound rate remains as a
20 convenient and simple unzoned option to customers. Moreover, tying the flat-rate
21 envelope to the one-pound rate will eliminate potential customer confusion over
22 the least-cost option in certain circumstances. The flat-rate envelope therefore
23 becomes simpler to use.

¹⁷ Without the migration, flat-rate envelopes would weigh 0.632 pounds, on average.

1 **IV. Pickup Fee**

2 Pickup service is available for Express Mail, Priority Mail, and Parcel Post
3 on an on-call or scheduled basis. The current fee per pickup stop is \$10.25. This
4 fee applies to all three mail classes/subclasses. The average cost per stop in the
5 test year was developed by witness Abdirahman as \$10.916 for scheduled and
6 \$12.366 for on-call service¹⁸. In Attachment G, I develop a weighted-average
7 cost based on the estimated number of pickup stops for Express Mail, Priority
8 Mail, and Parcel Post in the test year. This weighted-average cost, including the
9 contingency, is \$12.43. I propose rounding up the fee to the nearest 25-cent
10 interval, or \$12.50 per pickup stop, yielding a cost coverage of 100.5%.¹⁹ The
11 low cost coverage is consistent with cost coverages from prior rate cases and is
12 justified by the large fee increase, 22%, required to cover estimated test year
13 costs. The proposed \$12.50 fee is estimated to produce total pickup revenue for
14 Express Mail, Priority Mail and Parcel Post in the test year of \$9.2 million.

¹⁸ USPS-T-42, Appendix A at 2.

¹⁹ Cost coverage is actually slightly below 100% for Priority Mail and Parcel Post, and slightly above 100% for Express Mail.

Priority Mail
FY 2000 Volume

Attachment A
Page 1 of 3

| Weight to: (Pounds) | Zone 1,2&3 | Zone 4 | Zone 5 | Zone 6 | Zone 7 | Zone 8 | Total |
|------------------------|---------------|-------------|-------------|-------------|--------------|-------------|---------------|
| Flat Rate | 49,817,362 | 17,443,976 | 19,764,706 | 12,061,193 | 8,079,637 | 14,795,910 | 121,962,784 |
| 1 | 158,161,065 | 48,515,513 | 56,124,305 | 31,176,999 | 22,733,325 | 41,953,047 | 358,664,853 |
| 2 | 188,130,769 | 61,500,087 | 68,880,506 | 37,419,608 | 27,962,286 | 49,532,845 | 433,426,071 |
| 3 | 54,654,478 | 22,686,168 | 25,185,584 | 14,335,357 | 11,295,579 | 20,257,348 | 148,414,515 |
| 4 | 21,554,214 | 9,380,283 | 11,748,376 | 6,476,459 | 5,068,337 | 9,437,037 | 63,665,707 |
| 5 | 10,254,113 | 4,545,782 | 6,224,299 | 3,428,527 | 2,691,754 | 5,213,621 | 32,358,097 |
| 6 | 5,504,817 | 2,420,974 | 3,551,807 | 2,042,855 | 1,623,549 | 2,960,808 | 18,104,810 |
| 7 | 3,568,688 | 1,598,830 | 2,303,473 | 1,280,007 | 972,510 | 2,046,309 | 11,749,816 |
| 8 | 2,339,887 | 1,016,965 | 1,481,510 | 990,166 | 812,566 | 1,519,728 | 8,160,823 |
| 9 | 1,476,577 | 750,595 | 974,457 | 681,343 | 475,333 | 1,064,012 | 5,422,317 |
| 10 | 992,285 | 623,376 | 764,144 | 530,546 | 410,203 | 799,131 | 4,019,686 |
| 11 | 858,989 | 376,026 | 547,538 | 377,559 | 288,028 | 640,031 | 3,086,152 |
| 12 | 605,797 | 357,056 | 419,383 | 295,809 | 307,359 | 433,319 | 2,418,723 |
| 13 | 472,987 | 221,784 | 369,774 | 194,815 | 204,137 | 346,245 | 1,808,522 |
| 14 | 324,131 | 180,927 | 230,136 | 188,913 | 140,310 | 266,736 | 1,311,154 |
| 15 | 342,450 | 149,668 | 194,115 | 153,891 | 141,462 | 249,676 | 1,231,362 |
| 16 | 185,013 | 86,205 | 182,118 | 86,752 | 90,887 | 215,716 | 846,673 |
| 17 | 174,929 | 101,350 | 128,532 | 94,571 | 78,235 | 184,081 | 761,688 |
| 18 | 140,268 | 60,769 | 85,123 | 58,915 | 72,731 | 163,238 | 571,044 |
| 19 | 96,895 | 87,382 | 74,444 | 54,190 | 52,127 | 175,210 | 540,248 |
| 20 | 120,041 | 49,869 | 75,458 | 51,807 | 77,820 | 70,262 | 445,058 |
| 21 | 114,798 | 43,151 | 55,703 | 33,137 | 50,902 | 86,448 | 384,138 |
| 22 | 89,935 | 56,067 | 58,913 | 60,742 | 30,503 | 79,402 | 375,562 |
| 23 | 71,157 | 52,435 | 30,093 | 46,874 | 35,960 | 73,303 | 309,823 |
| 24 | 77,020 | 42,573 | 45,221 | 28,764 | 26,703 | 61,552 | 281,833 |
| 25 | 42,616 | 27,483 | 26,859 | 28,815 | 17,278 | 74,892 | 217,943 |
| 26 | 51,010 | 26,997 | 26,466 | 14,943 | 14,511 | 50,348 | 184,266 |
| 27 | 50,571 | 15,088 | 27,928 | 16,219 | 13,394 | 42,172 | 165,372 |
| 28 | 34,875 | 13,385 | 20,068 | 26,961 | 8,716 | 44,153 | 147,959 |
| 29 | 18,471 | 15,523 | 18,420 | 4,908 | 16,075 | 26,183 | 97,580 |
| 30 | 49,920 | 34,214 | 29,063 | 13,417 | 30,227 | 28,749 | 185,590 |
| 31 | 53,962 | 6,611 | 7,976 | 7,964 | 6,773 | 31,196 | 114,481 |
| 32 | 23,306 | 17,456 | 6,790 | 17,672 | 7,192 | 24,300 | 96,716 |
| 33 | 28,815 | 12,390 | 6,581 | 6,739 | 5,837 | 22,057 | 82,398 |
| 34 | 25,788 | 9,104 | 3,182 | 14,232 | 6,679 | 16,706 | 77,691 |
| 35 | 30,133 | 23,421 | 5,197 | 8,341 | 7,626 | 25,872 | 100,489 |
| 36 | 20,980 | 1,505 | 9,852 | 10,431 | 6,080 | 21,893 | 70,741 |
| 37 | 10,144 | 1,787 | 2,881 | 5,297 | 4,801 | 14,543 | 39,452 |
| 38 | 12,990 | 3,840 | 5,700 | 4,156 | 37,096 | 8,368 | 72,151 |
| 39 | 7,568 | 5,512 | 2,292 | 6,536 | 5,971 | 21,411 | 49,290 |
| 40 | 6,897 | 6,203 | 3,512 | 2,008 | 6,890 | 11,228 | 36,735 |
| 41 | 14,533 | 6,779 | 6,764 | 3,594 | 2,041 | 18,238 | 51,949 |
| 42 | 4,855 | 2,843 | 1,978 | 1,389 | 3,167 | 4,011 | 18,242 |
| 43 | 3,856 | 4,217 | 6,091 | 1,647 | 2,793 | 9,986 | 28,591 |
| 44 | 9,227 | 2,672 | 2,541 | 1,289 | 4,450 | 7,170 | 27,347 |
| 45 | 3,058 | 558 | 4,564 | 1,095 | 2,098 | 21,722 | 33,093 |
| 46 | 3,129 | 3,240 | 2,825 | 1,526 | 4,817 | 12,696 | 28,234 |
| 47 | 1,892 | 890 | 2,402 | 1,517 | 2,750 | 4,683 | 13,944 |
| 48 | 1,668 | 744 | 2,035 | 548 | 974 | 2,728 | 6,695 |
| 49 | 711 | 521 | 3,396 | 2,417 | 1,379 | 8,183 | 16,607 |
| 50 | 3,242 | 3,518 | 500 | 3,905 | 1,193 | 3,601 | 15,960 |
| 51 | 1,458 | 0 | 3,739 | 406 | 345 | 2,247 | 8,196 |
| 52 | 1,853 | 318 | 8,705 | 0 | 25 | 4,377 | 15,277 |
| 53 | 3,349 | 1,680 | 534 | 372 | 1,214 | 2,485 | 9,643 |
| 54 | 1,971 | 381 | 5,088 | 232 | 105 | 6,701 | 14,478 |
| 55 | 1,656 | 188 | 889 | 481 | 520 | 4,936 | 8,670 |
| 56 | 1,818 | 664 | 857 | 1,068 | 290 | 9,496 | 14,193 |
| 57 | 5,437 | 991 | 0 | 286 | 1,112 | 2,287 | 10,113 |
| 58 | 937 | 1,350 | 1,344 | 572 | 294 | 2,684 | 7,162 |
| 59 | 1,143 | 0 | 0 | 1,284 | 350 | 0 | 2,777 |
| 60 | 1,883 | 201 | 22,321 | 2,512 | 278 | 1,694 | 28,690 |
| 61 | 430 | 780 | 6,591 | 3,459 | 0 | 2,777 | 14,037 |
| 62 | 421 | 0 | 260 | 72 | 0 | 209 | 963 |
| 63 | 60 | 1,447 | 0 | 0 | 715 | 328 | 2,551 |
| 64 | 224 | 0 | 198 | 219 | 221 | 0 | 862 |
| 65 | 395 | 960 | 0 | 0 | 221 | 1,416 | 2,992 |
| 66 | 149 | 889 | 175 | 262 | 221 | 0 | 1,696 |
| 67 | 1,886 | 0 | 0 | 219 | 0 | 312 | 2,217 |
| 68 | 52 | 0 | 0 | 799 | 402 | 32 | 1,285 |
| 69 | 0 | 0 | 1,488 | 743 | 547 | 0 | 2,777 |
| 70 | 0 | 0 | 0 | 1,585 | 6,08 | 279 | 1,863 |
| Total | 500,667,779 | 172,484,147 | 199,785,745 | 112,351,836 | 83,948,553 | 153,216,350 | 1,222,454,421 |
| | | | | | Pickup Stops | | 271,296 |

Source: Billing Determinants, Fiscal Year 2000, LR-J-98, B-1, p. 1.
For Pickup Stops, San Mateo Report CED263P4, A/P 13, FY '00.

**Priority Mail
R97-1 Rates**

**Attachment A
Page 2 of 3**

| Weight to: <u>(Pounds)</u> | Zone <u>1-1.2&3</u> | Zone 4 | Zone 5 | Zone 6 | Zone 7 | Zone 8 |
|-------------------------------|----------------------------|--------|--------|--------|--------|--------|
| Flat Rate | \$3.20 | \$3.20 | \$3.20 | \$3.20 | \$3.20 | \$3.20 |
| 1 | 3.20 | 3.20 | 3.20 | 3.20 | 3.20 | 3.20 |
| 2 | 3.20 | 3.20 | 3.20 | 3.20 | 3.20 | 3.20 |
| 3 | 4.30 | 4.30 | 4.30 | 4.30 | 4.30 | 4.30 |
| 4 | 5.40 | 5.40 | 5.40 | 5.40 | 5.40 | 5.40 |
| 5 | 6.50 | 6.50 | 6.50 | 6.50 | 6.50 | 6.50 |
| 6 | 6.60 | 6.90 | 7.10 | 7.45 | 7.70 | 8.25 |
| 7 | 6.70 | 7.30 | 7.70 | 8.40 | 8.90 | 10.00 |
| 8 | 6.80 | 7.70 | 8.30 | 9.35 | 10.10 | 11.75 |
| 9 | 6.90 | 8.10 | 8.90 | 10.30 | 11.30 | 13.50 |
| 10 | 7.00 | 8.50 | 9.50 | 11.25 | 12.50 | 15.25 |
| 11 | 7.20 | 9.15 | 10.30 | 12.20 | 13.45 | 16.50 |
| 12 | 7.40 | 9.80 | 11.05 | 13.10 | 14.45 | 17.80 |
| 13 | 7.75 | 10.40 | 11.80 | 14.05 | 15.50 | 19.10 |
| 14 | 8.10 | 11.05 | 12.55 | 14.95 | 16.50 | 20.40 |
| 15 | 8.50 | 11.70 | 13.30 | 15.85 | 17.50 | 21.70 |
| 16 | 8.85 | 12.30 | 14.00 | 16.75 | 18.55 | 23.00 |
| 17 | 9.20 | 12.95 | 14.75 | 17.70 | 19.55 | 24.30 |
| 18 | 9.60 | 13.60 | 15.50 | 18.60 | 20.60 | 25.60 |
| 19 | 9.95 | 14.20 | 16.25 | 19.50 | 21.60 | 26.95 |
| 20 | 10.35 | 14.85 | 17.00 | 20.40 | 22.65 | 28.20 |
| 21 | 10.70 | 15.50 | 17.70 | 21.35 | 23.65 | 29.45 |
| 22 | 11.05 | 16.15 | 18.45 | 22.25 | 24.70 | 30.85 |
| 23 | 11.45 | 16.75 | 19.20 | 23.15 | 25.70 | 31.85 |
| 24 | 11.75 | 17.40 | 19.95 | 24.05 | 26.70 | 33.05 |
| 25 | 12.15 | 18.05 | 20.70 | 25.00 | 27.75 | 34.35 |
| 26 | 12.55 | 18.65 | 21.40 | 25.90 | 28.75 | 35.55 |
| 27 | 12.90 | 19.30 | 22.15 | 26.80 | 29.80 | 36.75 |
| 28 | 13.25 | 19.95 | 22.90 | 27.70 | 30.80 | 37.95 |
| 29 | 13.65 | 20.55 | 23.65 | 28.60 | 31.85 | 39.15 |
| 30 | 14.00 | 21.20 | 24.40 | 29.55 | 32.85 | 40.35 |
| 31 | 14.35 | 21.85 | 25.10 | 30.45 | 33.90 | 41.55 |
| 32 | 14.75 | 22.45 | 25.85 | 31.35 | 34.90 | 42.80 |
| 33 | 15.10 | 23.10 | 26.60 | 32.25 | 35.95 | 44.00 |
| 34 | 15.45 | 23.70 | 27.35 | 33.15 | 36.95 | 45.20 |
| 35 | 15.80 | 24.35 | 28.10 | 34.10 | 37.95 | 46.40 |
| 36 | 16.20 | 25.00 | 28.80 | 35.00 | 39.00 | 47.60 |
| 37 | 16.60 | 25.65 | 29.55 | 35.90 | 40.00 | 48.80 |
| 38 | 16.90 | 26.25 | 30.30 | 36.85 | 41.05 | 50.05 |
| 39 | 17.30 | 26.90 | 31.05 | 37.75 | 42.05 | 51.25 |
| 40 | 17.70 | 27.55 | 31.80 | 38.65 | 43.10 | 52.45 |
| 41 | 18.00 | 28.15 | 32.50 | 39.55 | 44.10 | 53.65 |
| 42 | 18.40 | 28.80 | 33.25 | 40.45 | 45.15 | 54.85 |
| 43 | 18.80 | 29.45 | 34.00 | 41.40 | 46.15 | 56.10 |
| 44 | 19.15 | 30.05 | 34.75 | 42.30 | 47.20 | 57.35 |
| 45 | 19.50 | 30.70 | 35.50 | 43.20 | 48.20 | 58.55 |
| 46 | 19.85 | 31.35 | 36.20 | 44.10 | 49.20 | 59.75 |
| 47 | 20.25 | 31.95 | 36.95 | 45.05 | 50.25 | 60.95 |
| 48 | 20.60 | 32.60 | 37.70 | 45.95 | 51.25 | 62.15 |
| 49 | 20.95 | 33.25 | 38.45 | 46.85 | 52.30 | 63.35 |
| 50 | 21.35 | 33.85 | 39.20 | 47.75 | 53.30 | 64.55 |
| 51 | 21.70 | 34.50 | 39.90 | 48.65 | 54.25 | 65.80 |
| 52 | 22.05 | 35.15 | 40.65 | 49.60 | 55.30 | 67.00 |
| 53 | 22.45 | 35.75 | 41.40 | 50.50 | 56.25 | 68.20 |
| 54 | 22.80 | 36.40 | 42.15 | 51.40 | 57.25 | 69.40 |
| 55 | 23.15 | 37.05 | 42.90 | 52.30 | 58.20 | 70.60 |
| 56 | 23.55 | 37.65 | 43.60 | 53.25 | 59.20 | 71.80 |
| 57 | 23.90 | 38.30 | 44.35 | 54.15 | 60.20 | 73.05 |
| 58 | 24.25 | 38.95 | 45.10 | 55.05 | 61.15 | 74.25 |
| 59 | 24.65 | 39.55 | 45.85 | 55.95 | 62.20 | 75.45 |
| 60 | 25.00 | 40.20 | 46.60 | 56.90 | 63.15 | 76.65 |
| 61 | 25.35 | 40.85 | 47.30 | 57.80 | 64.15 | 77.90 |
| 62 | 25.75 | 41.45 | 48.05 | 58.70 | 65.10 | 79.10 |
| 63 | 26.10 | 42.10 | 48.80 | 59.60 | 66.10 | 80.35 |
| 64 | 26.50 | 42.75 | 49.55 | 60.55 | 67.10 | 81.55 |
| 65 | 26.85 | 43.35 | 50.25 | 61.45 | 68.05 | 82.75 |
| 66 | 27.20 | 44.00 | 51.00 | 62.35 | 69.10 | 83.95 |
| 67 | 27.60 | 44.65 | 51.75 | 63.25 | 70.05 | 85.15 |
| 68 | 27.95 | 45.25 | 52.50 | 64.15 | 71.00 | 86.35 |
| 69 | 28.30 | 45.90 | 53.25 | 65.10 | 72.05 | 87.55 |
| 70 | 28.70 | 46.55 | 53.95 | 66.00 | 73.00 | 88.80 |

Pickup Fee \$8.25

Priority Mail
FY 2000 Calculated Revenue

Attachment A
Page 3 of 3

| Weight to: (Pounds) | Zone 1,2&3 | Zone 4 | Zone 5 | Zone 6 | Zone 7 | Zone 8 | Total |
|------------------------|----------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Flat Rate | \$ 159,415,559 | \$ 55,820,723 | \$ 63,247,061 | \$ 38,595,817 | \$ 25,854,839 | \$ 47,346,911 | \$ 390,280,909 |
| 1 | 506,117,327 | 155,249,641 | 179,597,775 | 99,766,396 | 72,746,641 | 134,249,749 | 1,147,727,529 |
| 2 | 602,018,461 | 198,800,277 | 220,417,620 | 119,742,746 | 89,479,218 | 158,505,103 | 1,386,983,426 |
| 3 | 235,014,255 | 97,550,523 | 108,298,012 | 61,642,035 | 48,570,989 | 87,106,598 | 638,182,413 |
| 4 | 116,392,758 | 50,653,528 | 63,441,232 | 34,972,878 | 27,374,421 | 50,959,999 | 343,794,815 |
| 5 | 66,651,732 | 29,547,583 | 40,457,946 | 22,285,429 | 17,496,402 | 33,888,538 | 210,327,629 |
| 6 | 36,331,785 | 16,704,717 | 25,217,928 | 15,219,268 | 12,501,326 | 24,428,670 | 130,401,605 |
| 7 | 23,910,209 | 11,871,460 | 17,736,742 | 10,584,057 | 8,655,338 | 20,463,087 | 93,020,893 |
| 8 | 15,911,233 | 7,830,633 | 12,296,536 | 9,258,051 | 8,206,914 | 17,856,806 | 71,360,173 |
| 9 | 10,188,378 | 6,079,819 | 8,672,665 | 7,017,829 | 5,371,285 | 14,364,169 | 51,694,126 |
| 10 | 6,945,998 | 4,448,698 | 7,259,364 | 5,968,646 | 5,127,542 | 12,186,745 | 41,936,993 |
| 11 | 8,184,580 | 3,440,639 | 5,839,637 | 4,606,225 | 3,847,077 | 10,560,517 | 34,278,674 |
| 12 | 4,482,896 | 3,499,146 | 4,634,183 | 3,875,099 | 4,441,335 | 7,713,085 | 28,645,744 |
| 13 | 3,665,646 | 2,306,350 | 4,363,338 | 2,734,335 | 3,164,125 | 6,813,277 | 22,847,071 |
| 14 | 2,625,465 | 1,778,238 | 2,888,211 | 2,824,253 | 2,315,121 | 5,441,418 | 17,872,706 |
| 15 | 2,910,821 | 1,751,113 | 2,581,728 | 2,440,765 | 2,475,588 | 5,417,970 | 17,577,986 |
| 16 | 1,637,368 | 1,060,324 | 2,549,658 | 1,453,104 | 1,885,578 | 4,961,479 | 13,347,511 |
| 17 | 1,609,349 | 1,312,488 | 1,895,847 | 1,673,899 | 1,528,491 | 4,473,172 | 12,494,247 |
| 18 | 1,346,574 | 826,458 | 1,319,412 | 1,095,811 | 1,498,255 | 3,922,901 | 10,009,410 |
| 19 | 984,103 | 1,240,822 | 1,209,710 | 1,056,704 | 1,125,945 | 4,721,918 | 10,319,202 |
| 20 | 1,242,420 | 740,553 | 1,282,794 | 1,056,866 | 1,758,093 | 1,981,402 | 8,062,128 |
| 21 | 1,228,321 | 668,840 | 985,842 | 707,476 | 1,203,843 | 2,545,885 | 7,340,307 |
| 22 | 993,781 | 905,480 | 1,086,944 | 1,351,517 | 753,436 | 2,433,663 | 7,524,821 |
| 23 | 814,749 | 878,293 | 577,785 | 1,085,140 | 924,177 | 2,334,706 | 6,614,848 |
| 24 | 904,990 | 740,765 | 902,156 | 591,771 | 712,978 | 2,034,288 | 5,986,948 |
| 25 | 517,787 | 496,073 | 555,986 | 720,367 | 479,458 | 2,572,534 | 5,342,205 |
| 26 | 640,178 | 503,500 | 566,163 | 387,014 | 417,205 | 1,789,871 | 4,303,932 |
| 27 | 652,365 | 291,199 | 618,607 | 434,681 | 399,130 | 1,549,835 | 3,945,817 |
| 28 | 459,440 | 267,031 | 459,588 | 746,807 | 268,486 | 1,675,801 | 3,878,832 |
| 29 | 252,129 | 319,000 | 388,331 | 140,381 | 511,992 | 1,025,059 | 2,636,891 |
| 30 | 698,883 | 725,334 | 709,149 | 396,460 | 992,947 | 1,160,015 | 4,682,788 |
| 31 | 774,350 | 144,441 | 200,187 | 242,507 | 229,612 | 1,296,189 | 2,887,266 |
| 32 | 343,766 | 391,895 | 175,511 | 554,015 | 251,012 | 1,040,025 | 2,756,223 |
| 33 | 435,099 | 286,203 | 174,530 | 217,319 | 209,829 | 970,498 | 2,293,476 |
| 34 | 398,423 | 215,773 | 87,032 | 471,780 | 244,793 | 845,502 | 2,285,304 |
| 35 | 476,096 | 570,291 | 146,036 | 284,417 | 285,803 | 1,200,468 | 2,962,912 |
| 36 | 339,870 | 37,623 | 283,731 | 365,086 | 237,131 | 1,042,105 | 2,305,546 |
| 37 | 168,383 | 45,847 | 85,128 | 190,170 | 192,020 | 709,680 | 1,391,229 |
| 38 | 219,535 | 100,803 | 172,707 | 153,153 | 1,522,803 | 418,820 | 2,587,821 |
| 39 | 130,926 | 148,262 | 71,179 | 246,748 | 251,064 | 1,087,295 | 1,945,474 |
| 40 | 122,072 | 170,880 | 111,672 | 77,610 | 296,980 | 568,799 | 1,368,013 |
| 41 | 261,589 | 100,836 | 219,839 | 142,144 | 90,007 | 978,472 | 1,882,888 |
| 42 | 89,328 | 81,867 | 65,764 | 56,168 | 142,995 | 219,990 | 656,111 |
| 43 | 72,488 | 124,189 | 207,110 | 68,199 | 128,914 | 560,209 | 1,161,109 |
| 44 | 175,690 | 80,286 | 88,300 | 54,519 | 210,024 | 411,173 | 1,020,891 |
| 45 | 59,635 | 17,119 | 162,021 | 47,294 | 101,050 | 1,271,822 | 1,658,942 |
| 46 | 62,103 | 101,576 | 102,283 | 67,293 | 236,996 | 758,614 | 1,328,866 |
| 47 | 34,260 | 28,426 | 88,758 | 68,349 | 136,190 | 286,030 | 644,013 |
| 48 | 34,351 | 24,245 | 76,731 | 25,158 | 49,907 | 169,522 | 379,914 |
| 49 | 14,895 | 17,310 | 130,581 | 113,249 | 72,124 | 518,419 | 866,577 |
| 50 | 68,221 | 119,088 | 19,591 | 186,478 | 63,808 | 232,438 | 690,424 |
| 51 | 31,643 | 0 | 149,194 | 19,760 | 18,716 | 147,882 | 367,193 |
| 52 | 40,851 | 11,168 | 353,839 | 0 | 1,402 | 293,237 | 700,498 |
| 53 | 75,178 | 60,411 | 22,098 | 18,800 | 68,282 | 169,445 | 414,213 |
| 54 | 44,931 | 13,853 | 214,472 | 11,948 | 6,007 | 465,040 | 756,252 |
| 55 | 38,346 | 6,971 | 38,132 | 25,179 | 30,243 | 348,483 | 487,335 |
| 56 | 42,809 | 24,996 | 37,359 | 56,872 | 17,186 | 681,787 | 861,009 |
| 57 | 129,937 | 37,950 | 0 | 15,494 | 66,967 | 167,088 | 417,417 |
| 58 | 22,732 | 52,602 | 60,603 | 31,503 | 17,963 | 197,796 | 383,200 |
| 59 | 26,168 | 0 | 0 | 71,855 | 21,794 | 0 | 121,817 |
| 60 | 42,080 | 8,083 | 1,040,180 | 142,933 | 17,543 | 129,876 | 1,380,695 |
| 61 | 10,899 | 31,853 | 311,773 | 199,928 | 0 | 216,295 | 770,749 |
| 62 | 10,851 | 0 | 12,487 | 4,230 | 0 | 16,545 | 44,113 |
| 63 | 1,575 | 60,017 | 0 | 0 | 47,281 | 26,357 | 136,130 |
| 64 | 5,923 | 0 | 9,831 | 13,241 | 14,838 | 0 | 43,834 |
| 65 | 10,597 | 41,599 | 0 | 0 | 15,048 | 117,195 | 184,438 |
| 66 | 4,061 | 39,110 | 8,932 | 16,335 | 15,280 | 0 | 83,718 |
| 67 | 46,530 | 0 | 0 | 13,832 | 0 | 26,590 | 86,953 |
| 68 | 1,443 | 0 | 0 | 51,262 | 28,549 | 2,757 | 84,011 |
| 69 | 0 | 0 | 79,236 | 48,347 | 39,392 | 0 | 166,976 |
| 70 | 0 | 0 | 0 | 104,564 | 0 | 24,765 | 129,350 |
| Total | 1,817,601,187 | 659,395,722 | 786,864,778 | 459,009,587 | 357,272,289 | 693,930,116 | 4,774,073,678 |
| | | | | | | Pickup Fees | \$ 2,275,042 |

Revenue as calculated should be adjusted to RPW Revenue by multiplying by 101.243535 percent. This adjustment factor is derived by taking RPW revenue less pick-up fee revenue of \$2,275,042 and dividing by total calculated revenue.

Source: Billing Determinants, Fiscal Year 2000, LR-J-98, B-1, p. 3

Priority Mail
Test Year Before Rates Volume Without R2000-1 One-Pound Rate Effect

Attachment B
 Page 1 of 7

| Weight to: (Pounds) | <u>L1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | Total |
|------------------------|-------------------|---------------|---------------|---------------|---------------|---------------|-------------|
| Flat Rate | 51,227,769 | 17,937,842 | 20,324,276 | 12,402,664 | 8,308,384 | 15,214,805 | 125,415,739 |
| 1 | 162,639,467 | 49,889,062 | 57,713,271 | 32,059,668 | 23,376,941 | 43,140,802 | 368,819,211 |
| 2 | 193,457,043 | 63,241,249 | 70,830,620 | 38,479,015 | 28,753,911 | 50,935,196 | 445,697,034 |
| 3 | 56,201,831 | 23,328,449 | 25,898,627 | 14,741,213 | 11,615,374 | 20,830,865 | 152,616,360 |
| 4 | 22,164,448 | 9,645,853 | 12,080,991 | 6,659,818 | 5,212,858 | 9,704,214 | 65,468,181 |
| 5 | 10,544,422 | 4,674,480 | 6,400,519 | 3,525,594 | 2,767,962 | 5,361,227 | 33,274,205 |
| 6 | 5,660,667 | 2,489,515 | 3,652,364 | 2,100,691 | 1,669,514 | 3,044,634 | 18,617,385 |
| 7 | 3,669,723 | 1,644,095 | 2,368,688 | 1,295,680 | 1,000,043 | 2,104,243 | 12,082,472 |
| 8 | 2,406,133 | 1,045,757 | 1,523,454 | 1,018,199 | 835,571 | 1,562,754 | 8,391,868 |
| 9 | 1,518,381 | 771,845 | 1,002,045 | 700,632 | 488,791 | 1,094,136 | 5,575,831 |
| 10 | 1,020,379 | 538,194 | 785,778 | 545,567 | 421,817 | 821,755 | 4,133,489 |
| 11 | 883,288 | 386,672 | 563,039 | 388,249 | 294,126 | 658,152 | 3,173,526 |
| 12 | 622,948 | 367,165 | 431,256 | 304,184 | 316,061 | 445,587 | 2,487,201 |
| 13 | 486,378 | 228,043 | 380,243 | 200,124 | 209,917 | 356,048 | 1,860,752 |
| 14 | 333,308 | 165,483 | 236,652 | 194,262 | 144,283 | 274,288 | 1,348,275 |
| 15 | 352,145 | 153,905 | 199,611 | 158,351 | 145,467 | 256,745 | 1,266,224 |
| 16 | 190,251 | 88,646 | 187,274 | 89,209 | 93,439 | 221,824 | 870,643 |
| 17 | 179,882 | 104,220 | 132,171 | 97,248 | 80,450 | 189,293 | 783,263 |
| 18 | 144,239 | 62,489 | 87,533 | 60,583 | 74,790 | 157,577 | 587,211 |
| 19 | 99,638 | 89,856 | 76,551 | 55,724 | 53,603 | 180,171 | 555,543 |
| 20 | 123,439 | 51,281 | 77,595 | 53,274 | 79,818 | 72,252 | 457,658 |
| 21 | 118,046 | 44,373 | 57,280 | 34,075 | 52,344 | 88,895 | 395,013 |
| 22 | 92,481 | 57,654 | 60,581 | 62,462 | 31,367 | 81,650 | 386,195 |
| 23 | 73,172 | 53,920 | 30,945 | 48,201 | 36,978 | 75,378 | 318,595 |
| 24 | 79,201 | 43,778 | 46,501 | 29,578 | 27,459 | 63,294 | 289,812 |
| 25 | 43,823 | 28,261 | 27,620 | 29,630 | 17,767 | 77,012 | 224,113 |
| 26 | 52,454 | 27,762 | 27,205 | 15,366 | 14,922 | 51,773 | 189,483 |
| 27 | 52,003 | 15,515 | 28,719 | 16,679 | 13,773 | 43,366 | 170,054 |
| 28 | 35,656 | 13,764 | 20,637 | 27,724 | 8,963 | 45,403 | 152,148 |
| 29 | 18,994 | 15,963 | 16,885 | 5,047 | 16,530 | 26,924 | 100,343 |
| 30 | 51,334 | 35,183 | 29,886 | 13,796 | 31,082 | 29,563 | 190,844 |
| 31 | 55,489 | 6,798 | 8,201 | 8,190 | 6,965 | 32,079 | 117,722 |
| 32 | 23,966 | 17,951 | 6,982 | 18,172 | 7,396 | 24,988 | 99,454 |
| 33 | 29,630 | 12,741 | 6,747 | 6,929 | 6,002 | 22,681 | 84,730 |
| 34 | 26,518 | 9,362 | 3,272 | 14,635 | 6,868 | 19,235 | 79,891 |
| 35 | 30,986 | 24,084 | 5,344 | 8,577 | 7,739 | 26,605 | 103,334 |
| 36 | 21,574 | 1,548 | 10,131 | 10,726 | 6,252 | 22,513 | 72,743 |
| 37 | 10,431 | 1,838 | 2,962 | 5,447 | 4,936 | 14,954 | 40,569 |
| 38 | 13,358 | 3,949 | 5,861 | 4,274 | 38,147 | 8,605 | 74,193 |
| 39 | 7,782 | 5,668 | 2,357 | 6,721 | 6,140 | 22,017 | 50,685 |
| 40 | 7,092 | 6,378 | 3,611 | 2,065 | 7,086 | 11,544 | 37,775 |
| 41 | 14,944 | 6,971 | 6,956 | 3,696 | 2,099 | 18,754 | 53,420 |
| 42 | 4,992 | 2,923 | 2,034 | 1,428 | 3,257 | 4,124 | 18,758 |
| 43 | 3,965 | 4,336 | 6,264 | 1,694 | 2,872 | 10,269 | 29,400 |
| 44 | 9,488 | 2,747 | 2,613 | 1,325 | 4,576 | 7,373 | 28,122 |
| 45 | 3,145 | 573 | 4,693 | 1,126 | 2,156 | 22,337 | 34,030 |
| 46 | 3,217 | 3,332 | 2,905 | 1,569 | 4,953 | 13,056 | 29,033 |
| 47 | 1,740 | 915 | 2,470 | 1,560 | 2,828 | 4,826 | 14,339 |
| 48 | 1,715 | 765 | 2,093 | 563 | 1,001 | 2,805 | 8,942 |
| 49 | 731 | 535 | 3,492 | 2,486 | 1,418 | 8,415 | 17,078 |
| 50 | 3,334 | 3,618 | 514 | 4,016 | 1,227 | 3,703 | 16,412 |
| 51 | 1,499 | 0 | 3,845 | 418 | 355 | 2,311 | 8,428 |
| 52 | 1,905 | 327 | 8,951 | 0 | 26 | 4,501 | 15,709 |
| 53 | 3,444 | 1,738 | 549 | 383 | 1,248 | 2,555 | 9,916 |
| 54 | 2,026 | 391 | 5,232 | 239 | 108 | 6,891 | 14,888 |
| 55 | 1,703 | 193 | 914 | 495 | 534 | 5,075 | 8,916 |
| 56 | 1,869 | 683 | 881 | 1,098 | 299 | 9,764 | 14,594 |
| 57 | 5,591 | 1,019 | 0 | 294 | 1,144 | 2,352 | 10,399 |
| 58 | 964 | 1,389 | 1,382 | 588 | 302 | 2,739 | 7,364 |
| 59 | 1,175 | 0 | 0 | 1,321 | 360 | 0 | 2,856 |
| 60 | 1,731 | 207 | 22,953 | 2,583 | 286 | 1,742 | 29,502 |

Priority Mail
Test Year Before Rates Volume Without R2000-1 One-Pound Rate Effect

Attachment B
 Page 1 of 7

Weight to:

| <u>(Pounds)</u> | <u>L,1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|-----------------|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 61 | 442 | 802 | 6,778 | 3,557 | 0 | 2,855 | 14,434 |
| 62 | 433 | 0 | 267 | 74 | 0 | 215 | 990 |
| 63 | 62 | 1,488 | 0 | 0 | 736 | 337 | 2,623 |
| 64 | 230 | 0 | 204 | 225 | 227 | 0 | 886 |
| 65 | 406 | 987 | 0 | 0 | 227 | 1,456 | 3,076 |
| 66 | 154 | 914 | 180 | 269 | 227 | 0 | 1,744 |
| 67 | 1,734 | 0 | 0 | 225 | 0 | 321 | 2,280 |
| 68 | 53 | 0 | 0 | 822 | 413 | 33 | 1,321 |
| 69 | 0 | 0 | 1,530 | 764 | 562 | 0 | 2,856 |
| 70 | 0 | 0 | 0 | 1,629 | 0 | 287 | 1,916 |
| Total | 514,842,460 | 177,367,441 | 205,441,989 | 115,532,691 | 86,325,277 | 157,554,143 | 1,257,064,000 |

Source: By rate cell, Attachment A, p. 1 * Attachment B, p. 1 (c)

| | | |
|-----------------------------------|---|---------------|
| (a) Attachment A, p. 1 | FY 2000 Priority Mail volume | 1,222,454,421 |
| (b) USPS-LR-J-28, Sect. C1, p. 12 | Test Year Before Rates Priority Mail volume | 1,257,064,000 |
| (c) = (b) / (a) | Volume adjustment factor | 102.83% |

Priority Mail
One-Pound, Two-Pound, Flat Rate: Volumes and Average Postage Weights
Test Year Before Rates

Attachment B
Page 2 of 7

(A) Flat-Rate Envelopes

| Ounce Increment | TYBR Vol. W/o R2000-1 1-Lb. Rate Effect (a) | R2000-1: Migration to One-Pound Rate (b) | Weight Per Piece (Ounces) (c) | Total Weight (Ounces) (d) = (b) * (c) | TYBR Vol. With R2000-1 1-Lb. Rate Effect (e) = (a) - (b) |
|---------------------|--|---|--|--|---|
| 0.001-1.000 | 3,063,759 | 3,063,759 | 1 | 3,063,759 | 0 |
| 1.001-2.000 | 21,929,973 | 21,929,973 | 2 | 43,859,947 | 0 |
| 2.001-3.000 | 14,007,848 | 14,007,848 | 3 | 42,023,545 | 0 |
| 3.001-4.000 | 9,529,345 | 9,529,345 | 4 | 38,117,380 | 0 |
| 4.001-5.000 | 7,429,883 | 7,429,883 | 5 | 37,149,413 | 0 |
| 5.001-6.000 | 6,291,003 | 6,291,003 | 6 | 37,746,017 | 0 |
| 6.001-7.000 | 5,304,925 | 5,304,925 | 7 | 37,134,475 | 0 |
| 7.001-8.000 | 4,591,308 | 4,591,308 | 8 | 36,730,461 | 0 |
| 8.001-9.000 | 3,868,366 | 3,868,366 | 9 | 34,815,293 | 0 |
| 9.001-10.000 | 3,817,819 | 3,817,819 | 10 | 38,178,193 | 0 |
| 10.001-11.000 | 3,307,274 | 3,307,274 | 11 | 36,380,017 | 0 |
| 11.001-12.000 | 3,001,034 | 3,001,034 | 12 | 36,012,403 | 0 |
| 12.001-13.000 | 3,000,108 | 3,000,108 | 13 | 39,001,402 | 0 |
| 13.001-14.000 | 3,066,604 | 3,066,604 | 14 | 42,932,451 | 0 |
| 14.001-15.000 | 2,940,713 | 2,940,713 | 15 | 44,110,696 | 0 |
| 15.001-16.000 | 3,040,781 | 3,040,781 | 16 | 48,652,502 | 0 |
| 16.001 + | 27,224,996 | 0 | | 27,224,996 | |
| Total, 0.001-16.000 | 98,190,743 | 98,190,743 | | 595,907,954 | 0 |
| Total, 16.001 + | 27,224,996 | 0 | | | 27,224,996 |
| Total | 125,415,739 | 98,190,743 | | | 27,224,996 |

| | | |
|---|---------------------------------|--------|
| (f) | Avg. Weight (Lbs.), Total | 0.632 |
| (g) = (f) * 16 | Avg. Weight (Oz.), Total | 10.112 |
| (h) = (d)/(b) | Avg. Weight (Oz.), 0.001-16.000 | 6.069 |
| (i) = (a) Total, 0.001-16.000 / (a) Total | Percent of Volume, 0.001-16.000 | 78.29% |
| (j) = (a) Total, 16.001 + / (a) Total | Percent of Volume, 16.001 + | 21.71% |
| (k) = [(g) - (i) * (h)]/(j)] | Avg. Weight (Oz.), 16.001 + | 24.695 |
| (l) = (k)/16 | Avg. Weight (Lbs.), 16.001 + | 1.543 |

Sources:

- (a) Total for flat-rate envelopes in Attachment B, p. 1 distributed by ounce increment from Special Weight Report
- (b) All flat-rate pieces under one pound assumed to migrate to one-pound rate
- (c) Postage ounces (maximum weight)
- (f) Special Weight Report

Priority Mail
One-Pound, Two-Pound, Flat Rate: Volumes and Average Postage Weights
Test Year Before Rates

Attachment B
Page 2 of 7

(B) Up to One Pound, Weight-Rated Pieces

| Ounce Increment | TYBR Vol. W/o R2000-1 1-Lb. Rate Effect | R2000-1: Migration from Flat Rate Env. | TYBR Vol. With R2000-1 1-Lb. Rate Effect | Weight Per Piece (Ounces) | Total Weight (Ounces) |
|---------------------|---|--|--|---------------------------------|-----------------------------|
| | (a) | (b) | (c) = (a) + (b) | (d) | (e) = (c) * (d) |
| 0.001-1.000 | 9,613,359 | 3,063,759 | 12,677,118 | 1 | 12,677,118 |
| 1.001-2.000 | 14,781,310 | 21,929,973 | 36,711,283 | 2 | 73,422,567 |
| 2.001-3.000 | 10,630,207 | 14,007,848 | 24,638,056 | 3 | 73,914,167 |
| 3.001-4.000 | 11,058,128 | 9,529,345 | 20,587,473 | 4 | 82,349,894 |
| 4.001-5.000 | 12,168,907 | 7,429,883 | 19,598,790 | 5 | 97,993,950 |
| 5.001-6.000 | 13,122,350 | 6,291,003 | 19,413,353 | 6 | 116,480,120 |
| 6.001-7.000 | 14,408,965 | 5,304,925 | 19,713,890 | 7 | 137,997,228 |
| 7.001-8.000 | 14,809,239 | 4,591,308 | 19,400,547 | 8 | 155,204,374 |
| 8.001-9.000 | 16,673,376 | 3,868,366 | 20,541,741 | 9 | 184,875,673 |
| 9.001-10.000 | 19,916,240 | 3,817,819 | 23,734,060 | 10 | 237,340,596 |
| 10.001-11.000 | 17,398,394 | 3,307,274 | 20,705,668 | 11 | 227,762,347 |
| 11.001-12.000 | 19,466,821 | 3,001,034 | 22,467,855 | 12 | 269,614,256 |
| 12.001-13.000 | 24,261,445 | 3,000,108 | 27,261,552 | 13 | 354,400,181 |
| 13.001-14.000 | 63,559,447 | 3,066,604 | 66,626,051 | 14 | 932,764,714 |
| 14.001-15.000 | 57,274,843 | 2,940,713 | 60,215,556 | 15 | 903,233,338 |
| 15.001-16.000 | 49,676,179 | 3,040,781 | 52,716,961 | 16 | 843,471,369 |
| Total, 0.001-16.000 | 368,819,211 | 98,190,743 | 467,009,954 | | 4,703,501,892 |
| | | | (f) = (e) / (c) | Avg. Weight (Ozs.) | 10.07 |
| | | | (g) = (f) / 16 | Avg. Weight (Lbs.) | 0.629 |

Sources:

- (a) Total for one pound in Attachment B, p. 1 distributed by ounce increment from Special Weight Report
- (b) Attachment B, p. 2 (A), column (b)
- (d) Postage ounces (maximum weight)

(C) One-Two Pound, Weight-Rated Pieces

| Ounce Increment | Test Year Before Rates | Weight | Total |
|-----------------|---------------------------|-----------------------|--------------------|
| | Volume | Per Piece (Ounces) | Weight (Ounces) |
| | (a) | (b) | (c) = (a) * (b) |
| 16.001-17.000 | 45,379,466 | 17 | 771,450,924 |
| 17.001-18.000 | 48,273,876 | 18 | 868,929,769 |
| 18.001-19.000 | 38,951,449 | 19 | 740,077,527 |
| 19.001-20.000 | 34,835,598 | 20 | 696,711,965 |
| 20.001-21.000 | 32,140,013 | 21 | 674,940,269 |
| 21.001-22.000 | 30,420,710 | 22 | 669,255,622 |
| 22.001-23.000 | 28,876,530 | 23 | 664,160,184 |
| 23.001-24.000 | 26,301,784 | 24 | 631,242,819 |
| 24.001-25.000 | 25,067,924 | 25 | 626,698,092 |
| 25.001-26.000 | 23,449,366 | 26 | 609,683,518 |
| 26.001-27.000 | 22,406,007 | 27 | 604,962,177 |
| 27.001-28.000 | 20,605,661 | 28 | 576,958,510 |
| 28.001-29.000 | 18,449,885 | 29 | 535,046,653 |

Priority Mail

Attachment B

One-Pound, Two-Pound, Flat Rate: Volumes and Average Postage Weights

Page 2 of 7

Test Year Before Rates

| | | | |
|----------------------|------------|-------------|----------------|
| 29.001-30.000 | 17,687,695 | 30 | 530,630,841 |
| 30.001-31.000 | 16,734,133 | 31 | 518,758,129 |
| 31.001-32.000 | 16,116,938 | 32 | 515,742,027 |
| Total, 16.001-32.000 | | 445,697,034 | 10,235,249,029 |

$$\begin{array}{lll} (d) = (c) / (a) & \text{Avg. Weight (Ozs.)} & 22.96 \\ (e) = (d) / 16 & \text{Avg. Weight (Lbs.)} & 1.435 \end{array}$$

Sources:

- (a) Total for two pounds in Attachment B, p. 1 distributed by ounce increment from Special Weight Report
- (b) Postage ounces (maximum weight)

Priority Mail
Test Year Before Rates Volume With R2000-1 One-Pound Rate Effect

Attachment B
 Page 3 of 7

Weight to:

| (Pounds) | L,1,2&3 | Zone 4 | Zone 5 | Zone 6 | Zone 7 | Zone 8 | Total |
|-----------|-------------|------------|------------|------------|------------|------------|-------------|
| Flat Rate | 11,120,421 | 3,893,911 | 4,411,953 | 2,692,345 | 1,803,567 | 3,302,799 | 27,224,996 |
| 1 | 205,938,974 | 63,171,028 | 73,078,275 | 40,594,914 | 29,600,584 | 54,626,179 | 467,009,954 |
| 2 | 193,457,043 | 63,241,249 | 70,830,620 | 38,479,015 | 28,753,911 | 50,935,196 | 445,697,034 |
| 3 | 56,201,831 | 23,328,449 | 25,898,627 | 14,741,213 | 11,615,374 | 20,830,865 | 152,616,360 |
| 4 | 22,164,448 | 9,645,853 | 12,080,991 | 6,659,818 | 5,212,858 | 9,704,214 | 65,468,181 |
| 5 | 10,544,422 | 4,674,480 | 6,400,519 | 3,525,594 | 2,767,962 | 5,361,227 | 33,274,205 |
| 6 | 5,660,667 | 2,489,515 | 3,652,364 | 2,100,691 | 1,669,514 | 3,044,634 | 18,617,385 |
| 7 | 3,669,723 | 1,644,095 | 2,368,688 | 1,295,680 | 1,000,043 | 2,104,243 | 12,082,472 |
| 8 | 2,406,133 | 1,045,757 | 1,523,454 | 1,018,199 | 835,571 | 1,562,754 | 8,391,868 |
| 9 | 1,518,381 | 771,845 | 1,002,045 | 700,632 | 488,791 | 1,094,136 | 5,575,831 |
| 10 | 1,020,379 | 538,194 | 785,778 | 545,567 | 421,817 | 821,755 | 4,133,489 |
| 11 | 883,288 | 386,672 | 563,039 | 388,249 | 294,126 | 658,152 | 3,173,526 |
| 12 | 622,948 | 367,165 | 431,256 | 304,184 | 316,061 | 445,587 | 2,487,201 |
| 13 | 486,378 | 228,043 | 380,243 | 200,124 | 209,917 | 356,048 | 1,860,752 |
| 14 | 333,308 | 165,483 | 236,652 | 194,262 | 144,283 | 274,288 | 1,348,275 |
| 15 | 352,145 | 153,905 | 199,611 | 158,351 | 145,467 | 256,745 | 1,266,224 |
| 16 | 190,251 | 88,646 | 187,274 | 89,209 | 93,439 | 221,824 | 870,643 |
| 17 | 179,882 | 104,220 | 132,171 | 97,248 | 80,450 | 189,293 | 783,263 |
| 18 | 144,239 | 62,489 | 87,533 | 60,583 | 74,790 | 157,577 | 587,211 |
| 19 | 99,638 | 89,856 | 76,551 | 55,724 | 53,803 | 180,171 | 555,543 |
| 20 | 123,439 | 51,281 | 77,595 | 53,274 | 79,818 | 72,252 | 457,658 |
| 21 | 118,046 | 44,373 | 57,280 | 34,075 | 52,344 | 88,895 | 395,013 |
| 22 | 92,481 | 57,654 | 60,581 | 62,462 | 31,367 | 81,650 | 386,195 |
| 23 | 73,172 | 53,920 | 30,945 | 48,201 | 36,978 | 75,378 | 318,595 |
| 24 | 79,201 | 43,778 | 46,501 | 29,578 | 27,459 | 63,294 | 289,812 |
| 25 | 43,823 | 28,261 | 27,620 | 29,630 | 17,767 | 77,012 | 224,113 |
| 26 | 52,454 | 27,762 | 27,205 | 15,366 | 14,922 | 51,773 | 189,483 |
| 27 | 52,003 | 15,515 | 28,719 | 16,679 | 13,773 | 43,366 | 170,054 |
| 28 | 35,656 | 13,764 | 20,637 | 27,724 | 8,963 | 45,403 | 152,148 |
| 29 | 18,994 | 15,963 | 16,885 | 5,047 | 16,530 | 26,924 | 100,343 |
| 30 | 51,334 | 35,183 | 29,886 | 13,796 | 31,082 | 29,563 | 190,844 |
| 31 | 55,489 | 6,798 | 8,201 | 8,190 | 6,965 | 32,079 | 117,722 |
| 32 | 23,966 | 17,951 | 6,982 | 18,172 | 7,396 | 24,988 | 99,454 |
| 33 | 29,630 | 12,741 | 6,747 | 6,929 | 6,002 | 22,681 | 84,730 |
| 34 | 26,518 | 9,362 | 3,272 | 14,635 | 6,868 | 19,235 | 79,891 |
| 35 | 30,986 | 24,084 | 5,344 | 8,577 | 7,739 | 26,605 | 103,334 |
| 36 | 21,574 | 1,548 | 10,131 | 10,726 | 6,252 | 22,513 | 72,743 |
| 37 | 10,431 | 1,838 | 2,962 | 5,447 | 4,936 | 14,954 | 40,569 |
| 38 | 13,358 | 3,949 | 5,861 | 4,274 | 38,147 | 8,605 | 74,193 |
| 39 | 7,782 | 5,668 | 2,357 | 6,721 | 6,140 | 22,017 | 50,685 |
| 40 | 7,092 | 6,378 | 3,611 | 2,065 | 7,086 | 11,544 | 37,775 |
| 41 | 14,944 | 6,971 | 6,956 | 3,696 | 2,099 | 18,754 | 53,420 |
| 42 | 4,992 | 2,923 | 2,034 | 1,428 | 3,257 | 4,124 | 18,758 |
| 43 | 3,965 | 4,336 | 6,264 | 1,694 | 2,872 | 10,269 | 29,400 |
| 44 | 9,488 | 2,747 | 2,613 | 1,325 | 4,576 | 7,373 | 28,122 |
| 45 | 3,145 | 573 | 4,693 | 1,126 | 2,156 | 22,337 | 34,030 |
| 46 | 3,217 | 3,332 | 2,905 | 1,569 | 4,953 | 13,056 | 29,033 |
| 47 | 1,740 | 915 | 2,470 | 1,560 | 2,828 | 4,826 | 14,339 |
| 48 | 1,715 | 765 | 2,093 | 563 | 1,001 | 2,805 | 8,942 |
| 49 | 731 | 535 | 3,492 | 2,486 | 1,418 | 8,415 | 17,078 |
| 50 | 3,334 | 3,618 | 514 | 4,016 | 1,227 | 3,703 | 16,412 |
| 51 | 1,499 | 0 | 3,845 | 418 | 355 | 2,311 | 8,428 |
| 52 | 1,905 | 327 | 8,951 | 0 | 26 | 4,501 | 15,709 |
| 53 | 3,444 | 1,738 | 549 | 383 | 1,248 | 2,555 | 9,916 |
| 54 | 2,026 | 391 | 5,232 | 239 | 108 | 6,891 | 14,888 |
| 55 | 1,703 | 193 | 914 | 495 | 534 | 5,075 | 8,916 |
| 56 | 1,869 | 683 | 881 | 1,098 | 299 | 9,764 | 14,594 |
| 57 | 5,591 | 1,019 | 0 | 294 | 1,144 | 2,352 | 10,399 |
| 58 | 964 | 1,389 | 1,382 | 588 | 302 | 2,739 | 7,364 |
| 59 | 1,175 | 0 | 0 | 1,321 | 360 | 0 | 2,856 |
| 60 | 1,731 | 207 | 22,953 | 2,583 | 286 | 1,742 | 29,502 |

Priority Mail
Test Year Before Rates Volume With R2000-1 One-Pound Rate Effect

Attachment B

Page 3 of 7

| Weight to: <u>(Pounds)</u> | <u>L1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|-------------------------------|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 61 | 442 | 802 | 6,778 | 3,557 | 0 | 2,855 | 14,434 |
| 62 | 433 | 0 | 267 | 74 | 0 | 215 | 990 |
| 63 | 62 | 1,488 | 0 | 0 | 736 | 337 | 2,623 |
| 64 | 230 | 0 | 204 | 225 | 227 | 0 | 886 |
| 65 | 406 | 987 | 0 | 0 | 227 | 1,456 | 3,076 |
| 66 | 154 | 914 | 180 | 269 | 227 | 0 | 1,744 |
| 67 | 1,734 | 0 | 0 | 225 | 0 | 321 | 2,280 |
| 68 | 53 | 0 | 0 | 822 | 413 | 33 | 1,321 |
| 69 | 0 | 0 | 1,530 | 764 | 562 | 0 | 2,856 |
| 70 | 0 | 0 | 0 | 1,629 | 0 | 287 | 1,916 |
| Total | 518,034,619 | 176,605,475 | 204,894,671 | 114,357,618 | 86,044,103 | 157,127,514 | 1,257,064,000 |
| | | | | | | Pickup Stops | 278,976 |

Sources:

Flat-rate envelope: total in Attachment B, p. 2 (A), column (e) distributed by zone from Attachment B, p. 1

One-pound: total in Attachment B, p. 2 (B), column (c) distributed by zone from Attachment B, p. 1

Pickup stops: total in Base Year from Attachment A, p. 1 * Attachment B, p. 1, row (c)

All else: Attachment B, p. 1

Priority Mail
Weight Per Piece (Pounds), TYBR

Attachment B
 Page 4 of 7

| Weight to: (Pounds) | <u>L1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> |
|----------------------------|-------------------|---------------|---------------|---------------|---------------|---------------|
| Flat Rate | 1.543 | 1.543 | 1.543 | 1.543 | 1.543 | 1.543 |
| 1 | 0.629 | 0.629 | 0.629 | 0.629 | 0.629 | 0.629 |
| 2 | 1.435 | 1.435 | 1.435 | 1.435 | 1.435 | 1.435 |
| 3 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| 4 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| 5 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| 6 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 |
| 7 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| 8 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 |
| 9 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 |
| 10 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| 11 | 11.00 | 11.00 | 11.00 | 11.00 | 11.00 | 11.00 |
| 12 | 12.00 | 12.00 | 12.00 | 12.00 | 12.00 | 12.00 |
| 13 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 |
| 14 | 14.00 | 14.00 | 14.00 | 14.00 | 14.00 | 14.00 |
| 15 | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 |
| 16 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 |
| 17 | 17.00 | 17.00 | 17.00 | 17.00 | 17.00 | 17.00 |
| 18 | 18.00 | 18.00 | 18.00 | 18.00 | 18.00 | 18.00 |
| 19 | 19.00 | 19.00 | 19.00 | 19.00 | 19.00 | 19.00 |
| 20 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| 21 | 21.00 | 21.00 | 21.00 | 21.00 | 21.00 | 21.00 |
| 22 | 22.00 | 22.00 | 22.00 | 22.00 | 22.00 | 22.00 |
| 23 | 23.00 | 23.00 | 23.00 | 23.00 | 23.00 | 23.00 |
| 24 | 24.00 | 24.00 | 24.00 | 24.00 | 24.00 | 24.00 |
| 25 | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 |
| 26 | 26.00 | 26.00 | 26.00 | 26.00 | 26.00 | 26.00 |
| 27 | 27.00 | 27.00 | 27.00 | 27.00 | 27.00 | 27.00 |
| 28 | 28.00 | 28.00 | 28.00 | 28.00 | 28.00 | 28.00 |
| 29 | 29.00 | 29.00 | 29.00 | 29.00 | 29.00 | 29.00 |
| 30 | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 |
| 31 | 31.00 | 31.00 | 31.00 | 31.00 | 31.00 | 31.00 |
| 32 | 32.00 | 32.00 | 32.00 | 32.00 | 32.00 | 32.00 |
| 33 | 33.00 | 33.00 | 33.00 | 33.00 | 33.00 | 33.00 |
| 34 | 34.00 | 34.00 | 34.00 | 34.00 | 34.00 | 34.00 |
| 35 | 35.00 | 35.00 | 35.00 | 35.00 | 35.00 | 35.00 |
| 36 | 36.00 | 36.00 | 36.00 | 36.00 | 36.00 | 36.00 |
| 37 | 37.00 | 37.00 | 37.00 | 37.00 | 37.00 | 37.00 |
| 38 | 38.00 | 38.00 | 38.00 | 38.00 | 38.00 | 38.00 |
| 39 | 39.00 | 39.00 | 39.00 | 39.00 | 39.00 | 39.00 |
| 40 | 40.00 | 40.00 | 40.00 | 40.00 | 40.00 | 40.00 |
| 41 | 41.00 | 41.00 | 41.00 | 41.00 | 41.00 | 41.00 |
| 42 | 42.00 | 42.00 | 42.00 | 42.00 | 42.00 | 42.00 |
| 43 | 43.00 | 43.00 | 43.00 | 43.00 | 43.00 | 43.00 |
| 44 | 44.00 | 44.00 | 44.00 | 44.00 | 44.00 | 44.00 |
| 45 | 45.00 | 45.00 | 45.00 | 45.00 | 45.00 | 45.00 |
| 46 | 46.00 | 46.00 | 46.00 | 46.00 | 46.00 | 46.00 |
| 47 | 47.00 | 47.00 | 47.00 | 47.00 | 47.00 | 47.00 |
| 48 | 48.00 | 48.00 | 48.00 | 48.00 | 48.00 | 48.00 |
| 49 | 49.00 | 49.00 | 49.00 | 49.00 | 49.00 | 49.00 |
| 50 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 |
| 51 | 51.00 | 51.00 | 51.00 | 51.00 | 51.00 | 51.00 |
| 52 | 52.00 | 52.00 | 52.00 | 52.00 | 52.00 | 52.00 |

Priority Mail
Weight Per Piece (Pounds), TYBR

Attachment B
Page 4 of 7

Weight to:

| <u>(Pounds)</u> | <u>L, 1, 2 & 3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> |
|-----------------|------------------------|---------------|---------------|---------------|---------------|---------------|
| 53 | 53.00 | 53.00 | 53.00 | 53.00 | 53.00 | 53.00 |
| 54 | 54.00 | 54.00 | 54.00 | 54.00 | 54.00 | 54.00 |
| 55 | 55.00 | 55.00 | 55.00 | 55.00 | 55.00 | 55.00 |
| 56 | 56.00 | 56.00 | 56.00 | 56.00 | 56.00 | 56.00 |
| 57 | 57.00 | 57.00 | 57.00 | 57.00 | 57.00 | 57.00 |
| 58 | 58.00 | 58.00 | 58.00 | 58.00 | 58.00 | 58.00 |
| 59 | 59.00 | 59.00 | 59.00 | 59.00 | 59.00 | 59.00 |
| 60 | 60.00 | 60.00 | 60.00 | 60.00 | 60.00 | 60.00 |
| 61 | 61.00 | 61.00 | 61.00 | 61.00 | 61.00 | 61.00 |
| 62 | 62.00 | 62.00 | 62.00 | 62.00 | 62.00 | 62.00 |
| 63 | 63.00 | 63.00 | 63.00 | 63.00 | 63.00 | 63.00 |
| 64 | 64.00 | 64.00 | 64.00 | 64.00 | 64.00 | 64.00 |
| 65 | 65.00 | 65.00 | 65.00 | 65.00 | 65.00 | 65.00 |
| 66 | 66.00 | 66.00 | 66.00 | 66.00 | 66.00 | 66.00 |
| 67 | 67.00 | 67.00 | 67.00 | 67.00 | 67.00 | 67.00 |
| 68 | 68.00 | 68.00 | 68.00 | 68.00 | 68.00 | 68.00 |
| 69 | 69.00 | 69.00 | 69.00 | 69.00 | 69.00 | 69.00 |
| 70 | 70.00 | 70.00 | 70.00 | 70.00 | 70.00 | 70.00 |

Sources:

Flat-rate envelope: Attachment B, p. 2 (A), row (l)

1-pound: Attachment B, p. 2 (B), row (g)

2-pound: Attachment B, p. 2 (C), row (e)

3-70 pounds: postage pounds (maximum weight)

Priority Mail
Test Year Before Rates Weight (Pounds)

Attachment B

Page 5 of 7

| Weight to: <u>(Pounds)</u> | <u>L,1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|-------------------------------|--------------------|---------------|---------------|---------------|---------------|---------------|--------------|
| Flat Rate | 17,163,954 | 6,010,105 | 6,809,684 | 4,155,534 | 2,783,739 | 5,097,747 | 42,020,763 |
| 1 | 129,632,456 | 39,764,282 | 46,000,600 | 25,553,290 | 18,632,687 | 34,385,554 | 293,968,868 |
| 2 | 277,666,337 | 90,769,330 | 101,662,253 | 55,228,422 | 41,270,108 | 73,106,614 | 639,703,064 |
| 3 | 168,605,492 | 69,985,346 | 77,695,882 | 44,223,640 | 34,846,123 | 62,492,596 | 457,849,079 |
| 4 | 88,657,791 | 38,583,413 | 48,323,964 | 26,639,270 | 20,851,432 | 38,816,856 | 261,872,725 |
| 5 | 52,722,112 | 23,372,401 | 32,002,595 | 17,627,972 | 13,839,809 | 26,806,135 | 166,371,024 |
| 6 | 33,964,004 | 14,937,090 | 21,914,183 | 12,604,147 | 10,017,084 | 18,267,801 | 111,704,310 |
| 7 | 25,688,061 | 11,508,668 | 16,580,815 | 9,069,757 | 7,000,302 | 14,729,700 | 84,577,303 |
| 8 | 19,249,065 | 8,366,057 | 12,187,634 | 8,145,592 | 6,684,566 | 12,502,032 | 67,134,946 |
| 9 | 13,665,427 | 6,946,609 | 9,018,407 | 6,305,692 | 4,399,115 | 9,847,227 | 50,182,477 |
| 10 | 10,203,785 | 5,381,938 | 7,857,777 | 5,455,669 | 4,218,169 | 8,217,554 | 41,334,893 |
| 11 | 9,716,170 | 4,253,392 | 6,193,431 | 4,270,736 | 3,235,385 | 7,239,668 | 34,908,781 |
| 12 | 7,475,374 | 4,405,974 | 5,175,077 | 3,650,207 | 3,792,727 | 5,347,048 | 29,846,408 |
| 13 | 6,322,908 | 2,964,558 | 4,943,163 | 2,601,618 | 2,728,915 | 4,628,618 | 24,189,781 |
| 14 | 4,666,313 | 2,316,756 | 3,313,126 | 2,719,664 | 2,019,959 | 3,840,031 | 18,875,849 |
| 15 | 5,282,173 | 2,308,577 | 2,994,159 | 2,375,268 | 2,182,008 | 3,851,171 | 18,993,357 |
| 16 | 3,044,022 | 1,418,332 | 2,996,392 | 1,427,337 | 1,495,030 | 3,549,180 | 13,930,292 |
| 17 | 3,057,991 | 1,771,737 | 2,246,906 | 1,653,216 | 1,367,646 | 3,217,977 | 13,315,474 |
| 18 | 2,596,307 | 1,124,810 | 1,575,600 | 1,090,485 | 1,346,219 | 2,836,381 | 10,569,803 |
| 19 | 1,893,122 | 1,707,260 | 1,454,475 | 1,058,759 | 1,018,455 | 3,423,245 | 10,555,315 |
| 20 | 2,468,782 | 1,025,615 | 1,551,896 | 1,065,478 | 1,596,351 | 1,445,034 | 9,153,156 |
| 21 | 2,478,976 | 931,825 | 1,202,880 | 715,579 | 1,099,215 | 1,866,798 | 8,295,274 |
| 22 | 2,034,586 | 1,268,393 | 1,332,779 | 1,374,165 | 690,076 | 1,796,294 | 8,496,291 |
| 23 | 1,682,948 | 1,240,159 | 711,734 | 1,108,631 | 850,500 | 1,733,705 | 7,327,678 |
| 24 | 1,900,824 | 1,050,672 | 1,116,027 | 709,877 | 659,023 | 1,519,067 | 6,955,490 |
| 25 | 1,095,568 | 706,535 | 690,492 | 740,762 | 444,173 | 1,925,303 | 5,602,832 |
| 26 | 1,363,816 | 721,804 | 707,336 | 399,507 | 387,980 | 1,346,109 | 4,926,551 |
| 27 | 1,404,072 | 418,911 | 775,407 | 450,323 | 371,866 | 1,170,891 | 4,591,470 |
| 28 | 998,379 | 385,391 | 577,849 | 776,267 | 250,970 | 1,271,281 | 4,260,138 |
| 29 | 550,825 | 462,915 | 489,658 | 146,374 | 479,376 | 780,800 | 2,909,948 |
| 30 | 1,540,006 | 1,055,475 | 896,589 | 413,893 | 932,474 | 886,882 | 5,725,320 |
| 31 | 1,720,173 | 210,729 | 254,242 | 253,877 | 215,914 | 994,437 | 3,649,372 |
| 32 | 766,912 | 574,419 | 223,418 | 581,512 | 236,670 | 799,604 | 3,182,533 |
| 33 | 977,800 | 420,437 | 222,652 | 228,669 | 198,064 | 748,479 | 2,796,101 |
| 34 | 901,611 | 318,312 | 111,257 | 497,577 | 233,519 | 654,003 | 2,716,279 |
| 35 | 1,084,502 | 842,927 | 187,046 | 300,189 | 270,859 | 931,162 | 3,616,685 |
| 36 | 776,649 | 55,711 | 364,705 | 386,148 | 225,087 | 810,461 | 2,618,761 |
| 37 | 385,938 | 68,006 | 109,608 | 201,546 | 182,647 | 553,311 | 1,501,056 |
| 38 | 507,603 | 150,056 | 222,728 | 162,404 | 1,449,569 | 326,988 | 2,819,349 |
| 39 | 303,508 | 221,038 | 91,935 | 262,136 | 239,446 | 858,655 | 1,976,717 |
| 40 | 283,680 | 255,125 | 144,444 | 82,595 | 283,423 | 461,749 | 1,511,017 |
| 41 | 612,710 | 285,819 | 285,187 | 151,528 | 86,049 | 768,931 | 2,190,225 |
| 42 | 209,674 | 122,769 | 85,422 | 59,971 | 136,784 | 173,221 | 787,841 |
| 43 | 170,491 | 186,463 | 269,349 | 72,840 | 123,516 | 441,551 | 1,264,209 |
| 44 | 417,465 | 120,885 | 114,970 | 58,315 | 201,328 | 324,390 | 1,237,354 |
| 45 | 141,516 | 25,804 | 211,194 | 50,659 | 97,012 | 1,005,163 | 1,531,348 |
| 46 | 147,992 | 153,263 | 133,652 | 72,180 | 227,855 | 600,573 | 1,335,514 |
| 47 | 81,768 | 42,999 | 116,095 | 73,326 | 132,912 | 226,809 | 673,910 |
| 48 | 82,307 | 36,709 | 100,460 | 27,025 | 48,066 | 134,632 | 429,199 |
| 49 | 35,825 | 26,231 | 171,121 | 121,799 | 69,486 | 412,340 | 836,802 |
| 50 | 166,699 | 180,885 | 25,697 | 200,794 | 61,359 | 185,142 | 820,575 |
| 51 | 76,473 | 0 | 196,098 | 21,301 | 18,092 | 117,865 | 429,829 |
| 52 | 99,066 | 16,989 | 465,451 | 0 | 1,356 | 234,031 | 816,891 |
| 53 | 182,506 | 92,096 | 29,090 | 20,289 | 66,158 | 135,408 | 525,547 |

Priority Mail
Test Year Before Rates Weight (Pounds)

Attachment B
 Page 5 of 7

Weight to:

| <u>(Pounds)</u> | <u>L,1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|-----------------|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 54 | 109,429 | 21,134 | 282,548 | 12,908 | 5,826 | 372,091 | 803,936 |
| 55 | 93,682 | 10,641 | 50,271 | 27,229 | 29,390 | 279,151 | 490,364 |
| 56 | 104,678 | 38,231 | 49,343 | 61,502 | 16,717 | 546,811 | 817,282 |
| 57 | 318,666 | 58,079 | 0 | 16,771 | 65,202 | 134,052 | 592,770 |
| 58 | 55,909 | 80,546 | 80,144 | 34,131 | 17,520 | 158,882 | 427,133 |
| 59 | 69,330 | 0 | 0 | 77,917 | 21,258 | 0 | 168,505 |
| 60 | 103,850 | 12,406 | 1,377,205 | 154,987 | 17,140 | 104,542 | 1,770,131 |
| 61 | 26,969 | 48,911 | 413,458 | 216,971 | 0 | 174,166 | 880,476 |
| 62 | 26,867 | 0 | 16,568 | 4,594 | 0 | 13,336 | 61,365 |
| 63 | 3,908 | 93,739 | 0 | 0 | 46,340 | 21,251 | 165,238 |
| 64 | 14,709 | 0 | 13,058 | 14,392 | 14,553 | 0 | 56,713 |
| 65 | 26,380 | 64,140 | 0 | 0 | 14,781 | 94,662 | 199,963 |
| 66 | 10,133 | 60,325 | 11,887 | 17,781 | 15,008 | 0 | 115,134 |
| 67 | 116,152 | 0 | 0 | 15,067 | 0 | 21,515 | 152,733 |
| 68 | 3,610 | 0 | 0 | 55,877 | 28,117 | 2,233 | 89,837 |
| 69 | 0 | 0 | 105,579 | 52,695 | 38,792 | 0 | 197,066 |
| 70 | 0 | 0 | 0 | 114,063 | 0 | 20,075 | 134,138 |
| Total | 910,008,784 | 352,060,156 | 427,534,653 | 248,520,696 | 196,627,299 | 371,786,972 | 2,506,538,558 |

Source: By rate cell, Attachment B, p. 3 * Attachment B, p. 4

Priority Mail
R2000-1 Rates After Modification

Attachment B
 Page 6 of 7

| Weight to: <u>(Pounds)</u> | Zone <u>L, 1, 2 & 3</u> | Zone 4 | Zone 5 | Zone 6 | Zone 7 | Zone 8 |
|-------------------------------|--------------------------------|--------|--------|--------|--------|--------|
| Flat Rate | \$3.95 | \$3.95 | \$3.95 | \$3.95 | \$3.95 | \$3.95 |
| 1 | 3.50 | 3.50 | 3.50 | 3.50 | 3.50 | 3.50 |
| 2 | 3.95 | 3.95 | 3.95 | 3.95 | 3.95 | 3.95 |
| 3 | 5.20 | 5.20 | 5.20 | 5.20 | 5.20 | 5.20 |
| 4 | 6.45 | 6.45 | 6.45 | 6.45 | 6.45 | 6.45 |
| 5 | 7.70 | 7.70 | 7.70 | 7.70 | 7.70 | 7.70 |
| 6 | 8.10 | 8.30 | 8.35 | 8.50 | 9.55 | 10.40 |
| 7 | 8.40 | 8.90 | 9.00 | 9.30 | 10.60 | 11.85 |
| 8 | 8.50 | 9.50 | 9.65 | 10.10 | 11.65 | 13.30 |
| 9 | 8.65 | 10.10 | 10.30 | 10.90 | 12.70 | 14.75 |
| 10 | 8.75 | 10.65 | 10.95 | 11.80 | 13.75 | 16.20 |
| 11 | 9.00 | 11.25 | 11.60 | 12.80 | 14.80 | 17.65 |
| 12 | 9.25 | 11.85 | 12.25 | 13.75 | 15.85 | 19.10 |
| 13 | 9.65 | 12.45 | 12.90 | 14.75 | 16.90 | 20.55 |
| 14 | 10.05 | 13.05 | 13.55 | 15.70 | 17.95 | 22.00 |
| 15 | 10.45 | 13.65 | 14.20 | 16.65 | 19.00 | 23.45 |
| 16 | 10.85 | 14.25 | 14.85 | 17.60 | 20.05 | 24.90 |
| 17 | 11.25 | 14.85 | 15.50 | 18.60 | 21.10 | 26.35 |
| 18 | 11.65 | 15.45 | 16.30 | 19.55 | 22.15 | 27.80 |
| 19 | 12.05 | 16.05 | 17.05 | 20.50 | 23.20 | 29.25 |
| 20 | 12.45 | 16.65 | 17.85 | 21.40 | 24.25 | 30.70 |
| 21 | 12.85 | 17.25 | 18.60 | 22.40 | 25.30 | 32.15 |
| 22 | 13.25 | 17.85 | 19.35 | 23.35 | 26.35 | 33.60 |
| 23 | 13.65 | 18.45 | 20.15 | 24.30 | 27.40 | 35.05 |
| 24 | 14.05 | 19.05 | 20.95 | 25.25 | 28.45 | 36.50 |
| 25 | 14.45 | 19.65 | 21.75 | 26.25 | 29.50 | 37.95 |
| 26 | 14.85 | 20.25 | 22.45 | 27.20 | 30.55 | 39.40 |
| 27 | 15.25 | 20.85 | 23.25 | 28.15 | 31.60 | 40.85 |
| 28 | 15.65 | 21.45 | 24.05 | 29.10 | 32.65 | 42.30 |
| 29 | 16.05 | 22.05 | 24.85 | 30.05 | 33.70 | 43.75 |
| 30 | 16.45 | 22.65 | 25.60 | 31.05 | 34.75 | 45.20 |
| 31 | 16.85 | 23.25 | 26.35 | 31.95 | 35.80 | 46.65 |
| 32 | 17.25 | 23.85 | 27.15 | 32.90 | 36.85 | 48.10 |
| 33 | 17.65 | 24.45 | 27.95 | 33.85 | 37.90 | 49.55 |
| 34 | 18.05 | 25.05 | 28.70 | 34.80 | 38.95 | 51.00 |
| 35 | 18.45 | 25.65 | 29.50 | 35.80 | 40.00 | 52.45 |
| 36 | 18.85 | 26.25 | 30.25 | 36.75 | 41.05 | 53.90 |
| 37 | 19.25 | 26.95 | 31.05 | 37.70 | 42.10 | 55.35 |
| 38 | 19.65 | 27.55 | 31.80 | 38.70 | 43.15 | 56.80 |
| 39 | 20.05 | 28.25 | 32.60 | 39.65 | 44.20 | 58.25 |
| 40 | 20.45 | 28.95 | 33.40 | 40.60 | 45.25 | 59.70 |
| 41 | 20.85 | 29.55 | 34.15 | 41.55 | 46.30 | 61.15 |
| 42 | 21.25 | 30.25 | 34.90 | 42.45 | 47.40 | 62.60 |
| 43 | 21.65 | 30.90 | 35.70 | 43.45 | 48.45 | 64.05 |
| 44 | 22.05 | 31.55 | 36.50 | 44.40 | 49.55 | 65.50 |
| 45 | 22.45 | 32.25 | 37.25 | 45.35 | 50.60 | 66.95 |
| 46 | 22.85 | 32.90 | 38.00 | 46.30 | 51.65 | 68.40 |
| 47 | 23.25 | 33.55 | 38.80 | 47.30 | 52.75 | 69.85 |
| 48 | 23.65 | 34.25 | 39.60 | 48.25 | 53.80 | 71.30 |
| 49 | 24.05 | 34.90 | 40.35 | 49.20 | 54.90 | 72.75 |
| 50 | 24.45 | 35.55 | 41.15 | 50.15 | 55.95 | 74.20 |
| 51 | 24.85 | 36.25 | 41.90 | 51.10 | 57.00 | 75.65 |
| 52 | 25.25 | 36.90 | 42.70 | 52.10 | 58.05 | 77.10 |

Priority Mail
R2000-1 Rates After Modification

Attachment B
Page 6 of 7

| Weight to: <u>(Pounds)</u> | Zone <u>L.1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> |
|-------------------------------|----------------------------|---------------|---------------|---------------|---------------|---------------|
| 53 | 25.65 | 37.55 | 43.45 | 53.05 | 59.10 | 78.55 |
| 54 | 26.05 | 38.20 | 44.25 | 53.95 | 60.15 | 80.00 |
| 55 | 26.45 | 38.90 | 45.05 | 54.90 | 61.20 | 81.45 |
| 56 | 26.85 | 39.55 | 45.80 | 55.90 | 62.25 | 82.90 |
| 57 | 27.25 | 40.20 | 46.55 | 56.85 | 63.30 | 84.35 |
| 58 | 27.65 | 40.90 | 47.35 | 57.80 | 64.35 | 85.80 |
| 59 | 28.05 | 41.55 | 48.15 | 58.75 | 65.40 | 87.25 |
| 60 | 28.45 | 42.20 | 48.95 | 59.75 | 66.45 | 88.70 |
| 61 | 28.85 | 42.90 | 49.65 | 60.70 | 67.50 | 90.15 |
| 62 | 29.25 | 43.50 | 50.45 | 61.65 | 68.55 | 91.60 |
| 63 | 29.65 | 44.20 | 51.25 | 62.60 | 69.60 | 93.05 |
| 64 | 30.05 | 44.90 | 52.05 | 63.60 | 70.65 | 94.50 |
| 65 | 30.45 | 45.50 | 52.75 | 64.50 | 71.70 | 95.95 |
| 66 | 30.85 | 46.20 | 53.55 | 65.45 | 72.75 | 97.40 |
| 67 | 31.25 | 46.90 | 54.35 | 66.40 | 73.80 | 98.85 |
| 68 | 31.65 | 47.50 | 55.15 | 67.35 | 74.85 | 100.30 |
| 69 | 32.05 | 48.20 | 55.90 | 68.35 | 75.90 | 101.75 |
| 70 | 32.45 | 48.90 | 56.65 | 69.30 | 76.95 | 103.20 |

Pickup Fee \$ 10.25

Priority Mail
Test Year Before Rates Revenues

Attachment B
Page 7 of 7

Weight to:

| (Pounds) | <u>L1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | Total |
|-----------|-------------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Flat Rate | \$ 43,925,663 | \$ 15,380,947 | \$ 17,427,214 | \$ 10,634,764 | \$ 7,124,091 | \$ 13,046,057 | \$ 107,538,735 |
| 1 | 720,786,408 | 221,098,598 | 255,773,964 | 142,082,198 | 103,602,044 | 191,191,625 | 1,634,534,838 |
| 2 | 764,155,319 | 249,802,935 | 279,780,950 | 151,992,110 | 113,577,947 | 201,194,026 | 1,760,503,286 |
| 3 | 292,249,520 | 121,307,933 | 134,672,861 | 76,654,309 | 60,399,946 | 108,320,499 | 793,605,069 |
| 4 | 142,960,688 | 62,215,754 | 77,922,392 | 42,955,823 | 33,622,934 | 62,592,180 | 422,269,770 |
| 5 | 81,192,052 | 35,993,497 | 49,283,996 | 27,147,077 | 21,313,306 | 41,281,448 | 256,211,376 |
| 6 | 45,851,406 | 20,662,975 | 30,497,238 | 17,855,875 | 15,943,859 | 31,664,189 | 162,475,542 |
| 7 | 30,825,673 | 14,632,449 | 21,318,181 | 12,049,820 | 10,600,458 | 24,935,278 | 114,361,869 |
| 8 | 20,452,131 | 9,934,693 | 14,701,333 | 10,283,810 | 9,734,399 | 20,784,628 | 85,890,995 |
| 9 | 13,133,994 | 7,795,639 | 10,321,065 | 7,636,894 | 6,207,641 | 16,138,511 | 61,233,744 |
| 10 | 8,928,312 | 5,731,764 | 8,604,266 | 6,437,690 | 5,799,982 | 13,312,438 | 48,814,452 |
| 11 | 7,949,593 | 4,350,060 | 6,531,254 | 4,969,583 | 4,353,064 | 11,616,376 | 39,769,931 |
| 12 | 5,762,268 | 4,350,900 | 5,282,892 | 4,182,529 | 5,009,561 | 8,510,718 | 33,098,866 |
| 13 | 4,693,543 | 2,839,135 | 4,905,139 | 2,951,835 | 3,547,590 | 7,316,778 | 26,254,020 |
| 14 | 3,349,746 | 2,159,548 | 3,206,633 | 3,049,908 | 2,589,876 | 6,034,334 | 20,390,045 |
| 15 | 3,679,914 | 2,100,805 | 2,834,471 | 2,636,548 | 2,763,877 | 6,020,664 | 20,036,278 |
| 16 | 2,064,227 | 1,263,202 | 2,781,026 | 1,570,070 | 1,873,459 | 5,523,412 | 15,075,397 |
| 17 | 2,023,670 | 1,547,664 | 2,048,650 | 1,808,813 | 1,697,491 | 4,987,864 | 14,114,153 |
| 18 | 1,680,388 | 965,462 | 1,426,794 | 1,184,388 | 1,656,597 | 4,380,633 | 11,294,261 |
| 19 | 1,200,638 | 1,442,185 | 1,305,200 | 1,142,345 | 1,243,587 | 5,269,996 | 11,603,950 |
| 20 | 1,536,816 | 853,825 | 1,385,067 | 1,140,061 | 1,935,576 | 2,218,128 | 9,069,474 |
| 21 | 1,516,897 | 765,428 | 1,065,408 | 763,284 | 1,324,293 | 2,857,979 | 8,293,289 |
| 22 | 1,225,375 | 1,029,128 | 1,172,240 | 1,458,488 | 826,523 | 2,743,430 | 8,455,184 |
| 23 | 998,793 | 994,823 | 623,541 | 1,171,293 | 1,013,205 | 2,642,016 | 7,443,671 |
| 24 | 1,112,774 | 833,971 | 974,198 | 746,850 | 781,217 | 2,310,247 | 6,759,258 |
| 25 | 633,238 | 555,336 | 600,728 | 777,800 | 524,124 | 2,922,610 | 6,013,836 |
| 26 | 778,949 | 562,174 | 610,757 | 417,946 | 455,876 | 2,039,873 | 4,865,575 |
| 27 | 793,041 | 323,492 | 667,711 | 469,504 | 435,221 | 1,771,515 | 4,460,484 |
| 28 | 558,023 | 295,237 | 496,331 | 806,763 | 292,649 | 1,920,543 | 4,369,546 |
| 29 | 304,853 | 351,975 | 419,587 | 151,674 | 557,068 | 1,177,931 | 2,963,087 |
| 30 | 844,437 | 796,884 | 765,090 | 428,379 | 1,080,116 | 1,336,236 | 5,251,141 |
| 31 | 934,997 | 158,047 | 216,106 | 261,657 | 249,346 | 1,496,467 | 3,316,619 |
| 32 | 413,413 | 428,121 | 189,556 | 597,867 | 272,540 | 1,201,904 | 3,103,402 |
| 33 | 522,975 | 311,505 | 188,580 | 234,559 | 227,474 | 1,123,852 | 2,608,945 |
| 34 | 478,650 | 234,521 | 93,914 | 509,284 | 267,517 | 981,005 | 2,564,891 |
| 35 | 571,688 | 617,745 | 157,653 | 307,050 | 309,553 | 1,395,413 | 3,359,102 |
| 36 | 406,662 | 40,623 | 306,454 | 394,193 | 256,662 | 1,213,440 | 2,618,033 |
| 37 | 200,792 | 49,534 | 91,982 | 205,359 | 207,823 | 827,723 | 1,583,213 |
| 38 | 262,484 | 108,790 | 186,388 | 165,396 | 1,646,024 | 488,761 | 2,857,844 |
| 39 | 156,034 | 160,111 | 76,848 | 266,505 | 271,372 | 1,282,478 | 2,213,348 |
| 40 | 145,031 | 184,647 | 120,611 | 83,834 | 320,622 | 689,161 | 1,543,907 |
| 41 | 311,585 | 205,999 | 237,540 | 153,560 | 97,173 | 1,146,832 | 2,152,690 |
| 42 | 106,085 | 88,423 | 70,982 | 60,614 | 154,371 | 258,181 | 738,655 |
| 43 | 85,840 | 133,993 | 223,622 | 73,602 | 139,170 | 657,705 | 1,313,933 |
| 44 | 209,207 | 86,680 | 95,372 | 58,845 | 226,722 | 482,899 | 1,159,727 |
| 45 | 70,601 | 18,493 | 174,822 | 51,053 | 109,085 | 1,495,460 | 1,919,513 |
| 46 | 73,513 | 109,616 | 110,408 | 72,650 | 255,842 | 893,025 | 1,515,055 |
| 47 | 40,449 | 30,694 | 95,840 | 73,795 | 149,172 | 337,077 | 727,028 |
| 48 | 40,553 | 26,193 | 82,880 | 27,166 | 53,874 | 199,985 | 430,651 |
| 49 | 17,583 | 18,883 | 140,913 | 122,297 | 77,853 | 612,198 | 989,527 |
| 50 | 81,516 | 128,609 | 21,148 | 201,396 | 68,661 | 274,751 | 776,081 |
| 51 | 37,262 | 0 | 161,108 | 21,343 | 20,221 | 174,832 | 414,766 |
| 52 | 48,104 | 12,056 | 382,207 | 0 | 1,513 | 346,995 | 790,875 |
| 53 | 88,326 | 65,249 | 23,849 | 20,309 | 73,773 | 200,685 | 472,189 |
| 54 | 52,790 | 14,950 | 231,532 | 12,896 | 6,490 | 551,246 | 869,903 |
| 55 | 45,052 | 7,526 | 41,177 | 27,179 | 32,703 | 413,398 | 567,035 |
| 56 | 50,189 | 27,001 | 40,355 | 61,392 | 18,583 | 809,475 | 1,006,996 |
| 57 | 152,345 | 40,961 | 0 | 16,727 | 72,409 | 198,373 | 480,815 |
| 58 | 26,653 | 56,799 | 65,428 | 34,014 | 19,438 | 235,035 | 437,367 |
| 59 | 32,961 | 0 | 0 | 77,587 | 23,564 | 0 | 134,112 |
| 60 | 49,242 | 8,726 | 1,123,570 | 154,341 | 18,982 | 154,548 | 1,509,410 |

Priority Mail
Test Year Before Rates Revenues

Attachment B
 Page 7 of 7

Weight to:

| (Pounds) | <u>L1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | Total |
|----------|-------------------|----------------|----------------|----------------|----------------|----------------|------------------|
| 61 | 12,755 | 34,398 | 336,528 | 215,904 | 0 | 257,395 | 856,980 |
| 62 | 12,675 | 0 | 13,482 | 4,568 | 0 | 19,702 | 50,427 |
| 63 | 1,839 | 65,766 | 0 | 0 | 51,194 | 31,387 | 150,187 |
| 64 | 6,906 | 0 | 10,620 | 14,302 | 16,065 | 0 | 47,894 |
| 65 | 12,358 | 44,898 | 0 | 0 | 16,304 | 139,736 | 213,296 |
| 66 | 4,737 | 42,228 | 9,644 | 17,633 | 16,543 | 0 | 90,784 |
| 67 | 54,175 | 0 | 0 | 14,932 | 0 | 31,743 | 100,850 |
| 68 | 1,680 | 0 | 0 | 55,343 | 30,949 | 3,293 | 91,266 |
| 69 | 0 | 0 | 85,535 | 52,198 | 42,671 | 0 | 180,404 |
| 70 | 0 | 0 | 0 | 112,922 | 0 | 29,596 | 142,519 |
| Total | \$ 2,212,988,059 | \$ 796,500,004 | \$ 944,812,839 | \$ 542,392,704 | \$ 427,709,833 | \$ 828,717,923 | \$ 5,753,121,362 |

Source: By rate cell, Attachment B, p. 3 * Attachment B, p. 6

(a)

Less, Effects of Priority Mail Presort Experiment:

| | | |
|---|------------------------------|------------------|
| (b) LR-J-28, Section C1, p. 12 | Volume | 19,123,000 |
| (c) LR-J-28, p. 1, File FPMBR01.xls, Sheet 1 | Avg. Discount/Piece | \$ 0.1766687 |
| (d) = (b) * (c) | Revenue | \$ 3,378,397 |
| (e) = (a) - (d) | Net Revenue | \$ 5,749,742,964 |
| (f) Billing Determinants, FY 2000, LR-J-98, B-1, p. 3 | Adjustment Factor | 101.243535% |
| (g) = (e) * (f) | Adjusted Postage Revenue | \$ 5,821,243,058 |
| (h) = Attachment B, p. 3 * Attachment B, p. 6 | Pickup Fee Revenue | \$ 2,859,502 |
| (i) = (g) + (h) | Total Revenue W/o S.S. Fees | \$ 5,824,102,560 |
| (j) USPS-T-36, WP-14 | Special Services Fees | \$ 1,169,000 |
| (k) = (i) + (j) | Total Revenue With S.S. Fees | \$ 5,825,271,560 |

Priority Mail
Test Year After Rates Volume With Reversed R2000-1 One-Pound Rate Effect

Attachment C
Page 1 of 9

Weight to:

| (Pounds) | L 1,2&3 | Zone 4 | Zone 5 | Zone 6 | Zone 7 | Zone 8 | Total |
|-----------------|--------------------|---------------|---------------|---------------|---------------|---------------|--------------|
| Flat Rate | 48,036,608 | 16,820,430 | 19,058,204 | 11,630,058 | 7,790,825 | 14,267,020 | 117,603,146 |
| 1 | 152,508,074 | 46,781,295 | 54,118,105 | 30,062,557 | 21,920,708 | 40,453,408 | 345,844,147 |
| 2 | 181,405,914 | 59,301,726 | 66,418,328 | 36,082,020 | 26,962,727 | 47,762,261 | 417,932,976 |
| 3 | 52,700,818 | 21,875,236 | 24,285,309 | 13,822,931 | 10,891,811 | 19,533,236 | 143,109,342 |
| 4 | 20,783,745 | 9,044,979 | 11,328,423 | 6,244,954 | 4,888,130 | 9,099,704 | 61,389,935 |
| 5 | 9,887,573 | 4,383,290 | 6,001,808 | 3,305,973 | 2,595,536 | 5,027,257 | 31,201,436 |
| 6 | 5,308,044 | 2,334,434 | 3,424,845 | 1,969,832 | 1,565,514 | 2,854,972 | 17,457,642 |
| 7 | 3,441,123 | 1,541,679 | 2,221,134 | 1,214,967 | 937,747 | 1,973,162 | 11,329,812 |
| 8 | 2,256,246 | 980,613 | 1,428,553 | 954,772 | 783,520 | 1,465,404 | 7,869,109 |
| 9 | 1,423,795 | 723,764 | 939,624 | 656,988 | 458,342 | 1,025,979 | 5,228,492 |
| 10 | 956,815 | 504,668 | 736,829 | 511,582 | 395,540 | 770,565 | 3,875,999 |
| 11 | 828,285 | 362,585 | 527,965 | 384,063 | 275,804 | 617,153 | 2,975,835 |
| 12 | 584,142 | 344,293 | 404,392 | 285,235 | 296,372 | 417,830 | 2,332,264 |
| 13 | 456,079 | 213,837 | 356,557 | 187,658 | 196,840 | 333,868 | 1,744,839 |
| 14 | 312,545 | 155,174 | 221,910 | 182,160 | 135,295 | 257,202 | 1,264,286 |
| 15 | 330,209 | 144,318 | 187,176 | 148,487 | 136,406 | 240,751 | 1,187,346 |
| 16 | 178,400 | 83,124 | 175,608 | 83,651 | 87,619 | 208,006 | 816,408 |
| 17 | 168,676 | 97,728 | 123,938 | 91,190 | 75,438 | 177,501 | 734,471 |
| 18 | 135,254 | 58,597 | 82,081 | 56,809 | 70,131 | 147,761 | 550,632 |
| 19 | 93,431 | 84,258 | 71,783 | 52,253 | 50,264 | 168,947 | 520,936 |
| 20 | 115,750 | 48,086 | 72,761 | 49,955 | 74,845 | 67,751 | 429,149 |
| 21 | 110,693 | 41,608 | 53,712 | 31,953 | 49,083 | 83,358 | 370,406 |
| 22 | 86,720 | 54,063 | 56,807 | 58,571 | 29,413 | 76,563 | 362,138 |
| 23 | 68,614 | 50,561 | 29,017 | 45,199 | 34,675 | 70,683 | 298,748 |
| 24 | 74,267 | 41,051 | 43,604 | 27,736 | 25,749 | 59,352 | 271,759 |
| 25 | 41,093 | 26,501 | 25,899 | 27,785 | 16,660 | 72,215 | 210,152 |
| 26 | 49,187 | 26,032 | 25,511 | 14,408 | 13,993 | 48,548 | 177,679 |
| 27 | 48,763 | 14,549 | 26,930 | 15,640 | 12,915 | 40,665 | 159,461 |
| 28 | 33,435 | 12,907 | 19,352 | 25,997 | 8,405 | 42,575 | 142,670 |
| 29 | 17,811 | 14,968 | 15,833 | 4,733 | 15,500 | 25,247 | 94,092 |
| 30 | 48,136 | 32,991 | 28,025 | 12,937 | 29,146 | 27,721 | 178,956 |
| 31 | 52,033 | 6,374 | 7,690 | 7,679 | 6,531 | 30,080 | 110,388 |
| 32 | 22,473 | 16,832 | 6,547 | 17,040 | 6,935 | 23,431 | 93,259 |
| 33 | 27,785 | 11,947 | 6,327 | 6,498 | 5,628 | 21,268 | 79,452 |
| 34 | 24,866 | 8,779 | 3,068 | 13,723 | 6,440 | 18,037 | 74,914 |
| 35 | 29,056 | 22,583 | 5,011 | 8,043 | 7,257 | 24,947 | 96,897 |
| 36 | 20,230 | 1,451 | 9,500 | 10,058 | 5,863 | 21,110 | 68,212 |
| 37 | 9,781 | 1,724 | 2,778 | 5,108 | 4,629 | 14,023 | 38,042 |
| 38 | 12,526 | 3,703 | 5,496 | 4,008 | 35,770 | 8,069 | 69,572 |
| 39 | 7,297 | 5,315 | 2,210 | 6,303 | 5,757 | 20,645 | 47,528 |
| 40 | 6,650 | 5,981 | 3,386 | 1,936 | 6,644 | 10,825 | 35,422 |
| 41 | 14,013 | 6,537 | 6,522 | 3,466 | 1,968 | 17,586 | 50,092 |
| 42 | 4,681 | 2,741 | 1,907 | 1,339 | 3,054 | 3,867 | 17,590 |
| 43 | 3,718 | 4,066 | 5,874 | 1,588 | 2,694 | 9,629 | 27,569 |
| 44 | 8,897 | 2,576 | 2,450 | 1,243 | 4,291 | 6,913 | 26,370 |
| 45 | 2,949 | 538 | 4,401 | 1,056 | 2,022 | 20,946 | 31,910 |
| 46 | 3,017 | 3,124 | 2,724 | 1,471 | 4,645 | 12,243 | 27,224 |
| 47 | 1,631 | 858 | 2,316 | 1,463 | 2,652 | 4,525 | 13,445 |
| 48 | 1,608 | 717 | 1,963 | 528 | 939 | 2,630 | 8,385 |
| 49 | 686 | 502 | 3,275 | 2,331 | 1,330 | 7,891 | 16,014 |
| 50 | 3,126 | 3,392 | 482 | 3,766 | 1,151 | 3,472 | 15,389 |
| 51 | 1,406 | - | 3,606 | 392 | 333 | 2,167 | 7,903 |
| 52 | 1,786 | 306 | 8,393 | - | 24 | 4,220 | 14,731 |
| 53 | 3,229 | 1,629 | 515 | 359 | 1,171 | 2,396 | 9,298 |
| 54 | 1,900 | 367 | 4,906 | 224 | 101 | 6,461 | 13,960 |
| 55 | 1,597 | 181 | 857 | 464 | 501 | 4,759 | 8,360 |

Priority Mail
Test Year After Rates Volume With Reversed R2000-1 One-Pound Rate Effect

Attachment C
 Page 1 of 9

Weight to:

| <u>(Pounds)</u> | <u>L,1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|-----------------|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 56 | 1,753 | 640 | 826 | 1,030 | 280 | 9,156 | 13,685 |
| 57 | 5,242 | 955 | - | 276 | 1,073 | 2,205 | 9,752 |
| 58 | 904 | 1,302 | 1,296 | 552 | 283 | 2,569 | 6,906 |
| 59 | 1,102 | - | - | 1,238 | 338 | - | 2,678 |
| 60 | 1,623 | 194 | 21,524 | 2,422 | 268 | 1,634 | 27,664 |
| 61 | 415 | 752 | 6,356 | 3,335 | - | 2,677 | 13,535 |
| 62 | 406 | - | 251 | 69 | - | 202 | 928 |
| 63 | 58 | 1,395 | - | - | 690 | 316 | 2,459 |
| 64 | 216 | - | 191 | 211 | 213 | - | 831 |
| 65 | 381 | 925 | - | - | 213 | 1,366 | 2,885 |
| 66 | 144 | 857 | 169 | 253 | 213 | - | 1,636 |
| 67 | 1,626 | - | - | 211 | - | 301 | 2,138 |
| 68 | 50 | - | - | 771 | 388 | 31 | 1,239 |
| 69 | - | - | 1,435 | 716 | 527 | - | 2,678 |
| 70 | - | - | - | 1,528 | - | 269 | 1,797 |
| Total | 482,771,086 | 166,318,590 | 192,644,275 | 108,335,747 | 80,947,768 | 147,739,533 | 1,178,757,000 |
| | | | | | Pickup Stops | | 261,597 |

Source: By rate cell, TYAR Total Volume (from Lr-J-28, Sect. C2, p. 15) *

[Attachment B, p. 1 / Total in Attachment B, p. 1]

Priority Mail
One-Pound, Two-Pound, Flat Rate: Average Postage Weights
TYAR Before Migration, 2-Pound Rate to Flat Rate

Attachment C
Page 2 of 9

| Weight Increment | TYAR Vol. W/o R2000-1 1-Lb. Rate Effect | Weight Per Piece (Ounces) | Total Weight (Ounces) | Average Weight, Oz. | Average Weight, lbs. (e) = (d)/16 |
|------------------|---|---------------------------------|-----------------------------|------------------------|---|
| Flat Rate | | | | 10.11 | 0.632 |
| One-Pound | | | | | |
| | | | | | |
| 0-1 Oz. | 9,014,508 | 1 | 9,014,508 | | |
| 1-2 Oz. | 13,860,530 | 2 | 27,721,059 | | |
| 2-3 Oz. | 9,968,014 | 3 | 29,904,042 | | |
| 3-4 Oz. | 10,369,278 | 4 | 41,477,113 | | |
| 4-5 Oz. | 11,410,863 | 5 | 57,054,314 | | |
| 5-6 Oz. | 12,304,912 | 6 | 73,829,474 | | |
| 6-7 Oz. | 13,511,379 | 7 | 94,579,652 | | |
| 7-8 Oz. | 13,886,719 | 8 | 111,093,751 | | |
| 8-9 Oz. | 15,634,732 | 9 | 140,712,584 | | |
| 9-10 Oz. | 18,675,587 | 10 | 186,755,866 | | |
| 10-11 Oz. | 16,314,586 | 11 | 179,460,443 | | |
| 11-12 Oz. | 18,254,163 | 12 | 219,049,960 | | |
| 12-13 Oz. | 22,750,113 | 13 | 295,751,464 | | |
| 13-14 Oz. | 59,600,103 | 14 | 834,401,438 | | |
| 14-15 Oz. | 53,706,989 | 15 | 805,604,829 | | |
| 15-16 Oz. | 46,581,673 | 16 | 745,306,765 | | |
| Total | 345,844,147 | | 3,851,717,261 | 11.14 | 0.696 |
| Two-Pound | | | | | |
| | | | | | |
| 16-17 Oz. | 42,552,617 | 17 | 723,394,495 | | |
| 17-18 Oz. | 45,266,724 | 18 | 814,801,034 | | |
| 18-19 Oz. | 36,525,024 | 19 | 693,975,459 | | |
| 19-20 Oz. | 32,665,565 | 20 | 653,311,292 | | |
| 20-21 Oz. | 30,137,897 | 21 | 632,895,833 | | |
| 21-22 Oz. | 28,525,696 | 22 | 627,565,303 | | |
| 22-23 Oz. | 27,077,708 | 23 | 622,787,278 | | |
| 23-24 Oz. | 24,663,352 | 24 | 591,920,453 | | |
| 24-25 Oz. | 23,506,353 | 25 | 587,658,833 | | |
| 25-26 Oz. | 21,988,621 | 26 | 571,704,157 | | |
| 26-27 Oz. | 21,010,257 | 27 | 567,276,926 | | |
| 27-28 Oz. | 19,322,061 | 28 | 541,017,707 | | |
| 28-29 Oz. | 17,300,575 | 29 | 501,716,689 | | |
| 29-30 Oz. | 16,585,865 | 30 | 497,575,953 | | |
| 30-31 Oz. | 15,691,704 | 31 | 486,442,835 | | |
| 31-32 Oz. | 15,112,957 | 32 | 483,614,617 | | |
| Total | 417,932,976 | | 9,597,658,862 | 22.96 | 1.435 |

Sources:

- (a) Total in Attachment C, p. 1 distributed by ounce increment from Special Weight Report
- (b) Postage ounces (maximum weight)
- (d) Flat rate: Special Weight Report. One- and Two-Pound: (c) / (a).

Priority Mail
Volume Migration From 2-Pound Rate To Flat Rate, TYAR

Attachment C
 Page 3 of 9

| Zone | 2-Pound Vol., TYAR Before Mig. | | % of F & L Migrating (c) | 2-Pound Vol. Migrating (d) = (a) * (b) * (c) | 2-Pound Vol., TYAR After Mig. (e) = (a) - (d) |
|------------|-----------------------------------|-------|--------------------------------|--|---|
| | (a) | (b) | | | |
| L, 1, 2, 3 | 181,405,914 | 39.1% | 25.0% | 17,732,428 | 163,673,486 |
| 4 | 59,301,726 | 22.9% | 10.0% | 4,074,029 | 55,227,698 |
| 5 | 66,418,328 | 21.1% | 12.5% | 4,554,637 | 61,863,691 |
| 6 | 36,082,020 | 20.9% | 10.0% | 2,639,400 | 33,442,620 |
| 7 | 26,962,727 | 17.4% | 10.0% | 1,759,318 | 25,203,409 |
| 8 | 47,762,261 | 18.0% | 10.0% | 3,438,883 | 44,323,378 |
| Total | 417,932,976 | | | 34,198,694 | 383,734,282 |

Sources:

(a) Attachment C, p. 1

(b) Special Weight Report for GFY 2000, volume rated at 2 pounds weighing 1-2 pounds

(c) Assumption

Priority Mail
Test Year After Rates Volume After Migration, 2-Pound Rate to Flat Rate

Attachment C
 Page 4 of 9

Weight to:

| (Pounds) | <u>L_1,283</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|-----------|----------------|---------------|---------------|---------------|---------------|---------------|--------------|
| Flat Rate | 65,769,036 | 20,894,458 | 23,612,841 | 14,269,457 | 9,550,143 | 17,705,903 | 151,801,840 |
| 1 | 152,508,074 | 46,781,295 | 54,118,105 | 30,062,557 | 21,920,708 | 40,453,408 | 345,844,147 |
| 2 | 163,673,486 | 55,227,698 | 61,863,691 | 33,442,620 | 25,203,409 | 44,323,378 | 383,734,282 |
| 3 | 52,700,818 | 21,875,236 | 24,285,309 | 13,822,931 | 10,891,811 | 19,533,236 | 143,109,342 |
| 4 | 20,783,745 | 9,044,979 | 11,328,423 | 6,244,954 | 4,888,130 | 9,099,704 | 61,389,935 |
| 5 | 9,887,573 | 4,383,290 | 6,001,808 | 3,305,973 | 2,595,536 | 5,027,257 | 31,201,436 |
| 6 | 5,308,044 | 2,334,434 | 3,424,845 | 1,969,832 | 1,565,514 | 2,854,972 | 17,457,642 |
| 7 | 3,441,123 | 1,541,679 | 2,221,134 | 1,214,967 | 937,747 | 1,973,162 | 11,329,812 |
| 8 | 2,256,246 | 980,613 | 1,428,553 | 954,772 | 783,520 | 1,465,404 | 7,889,109 |
| 9 | 1,423,795 | 723,764 | 939,624 | 656,988 | 458,342 | 1,025,979 | 5,228,492 |
| 10 | 956,815 | 504,668 | 736,829 | 511,582 | 395,540 | 770,565 | 3,875,999 |
| 11 | 828,265 | 362,585 | 527,965 | 364,063 | 275,804 | 617,153 | 2,975,835 |
| 12 | 584,142 | 344,293 | 404,392 | 285,235 | 296,372 | 417,830 | 2,332,264 |
| 13 | 456,079 | 213,837 | 356,557 | 187,658 | 196,840 | 333,868 | 1,744,839 |
| 14 | 312,545 | 155,174 | 221,910 | 182,160 | 135,295 | 257,202 | 1,264,286 |
| 15 | 330,209 | 144,318 | 187,176 | 148,487 | 136,406 | 240,751 | 1,187,346 |
| 16 | 178,400 | 83,124 | 175,608 | 83,651 | 87,619 | 208,006 | 816,408 |
| 17 | 168,676 | 97,728 | 123,938 | 91,190 | 75,438 | 177,501 | 734,471 |
| 18 | 135,254 | 58,597 | 82,081 | 56,809 | 70,131 | 147,761 | 550,632 |
| 19 | 93,431 | 84,258 | 71,783 | 52,253 | 50,264 | 168,947 | 520,936 |
| 20 | 115,750 | 48,086 | 72,761 | 49,955 | 74,845 | 67,751 | 429,149 |
| 21 | 110,693 | 41,608 | 53,712 | 31,953 | 49,083 | 83,358 | 370,406 |
| 22 | 86,720 | 54,063 | 56,807 | 58,571 | 29,413 | 76,563 | 362,138 |
| 23 | 68,614 | 50,561 | 29,017 | 45,199 | 34,675 | 70,683 | 298,748 |
| 24 | 74,267 | 41,051 | 43,604 | 27,736 | 25,749 | 59,352 | 271,759 |
| 25 | 41,093 | 26,501 | 25,899 | 27,785 | 16,660 | 72,215 | 210,152 |
| 26 | 49,187 | 26,032 | 25,511 | 14,408 | 13,993 | 48,548 | 177,679 |
| 27 | 48,763 | 14,549 | 26,930 | 15,640 | 12,915 | 40,665 | 159,461 |
| 28 | 33,435 | 12,907 | 19,352 | 25,997 | 8,405 | 42,575 | 142,670 |
| 29 | 17,811 | 14,968 | 15,833 | 4,733 | 15,500 | 25,247 | 94,092 |
| 30 | 48,136 | 32,991 | 28,025 | 12,937 | 29,146 | 27,721 | 178,956 |
| 31 | 52,033 | 6,374 | 7,690 | 7,679 | 6,531 | 30,080 | 110,388 |
| 32 | 22,473 | 16,832 | 6,547 | 17,040 | 6,935 | 23,431 | 93,259 |
| 33 | 27,785 | 11,947 | 6,327 | 6,498 | 5,628 | 21,268 | 79,452 |
| 34 | 24,866 | 8,779 | 3,068 | 13,723 | 6,440 | 18,037 | 74,914 |
| 35 | 29,056 | 22,583 | 5,011 | 8,043 | 7,257 | 24,947 | 96,897 |
| 36 | 20,230 | 1,451 | 9,500 | 10,058 | 5,863 | 21,110 | 68,212 |
| 37 | 9,781 | 1,724 | 2,778 | 5,108 | 4,629 | 14,023 | 38,042 |
| 38 | 12,526 | 3,703 | 5,496 | 4,008 | 35,770 | 8,069 | 69,572 |
| 39 | 7,297 | 5,315 | 2,210 | 6,303 | 5,757 | 20,645 | 47,528 |
| 40 | 6,650 | 5,981 | 3,386 | 1,936 | 6,644 | 10,825 | 35,422 |
| 41 | 14,013 | 6,537 | 6,522 | 3,466 | 1,968 | 17,586 | 50,092 |
| 42 | 4,681 | 2,741 | 1,907 | 1,339 | 3,054 | 3,867 | 17,590 |
| 43 | 3,718 | 4,066 | 5,874 | 1,588 | 2,694 | 9,629 | 27,569 |
| 44 | 8,897 | 2,576 | 2,450 | 1,243 | 4,291 | 6,913 | 26,370 |
| 45 | 2,949 | 538 | 4,401 | 1,056 | 2,022 | 20,946 | 31,910 |
| 46 | 3,017 | 3,124 | 2,724 | 1,471 | 4,645 | 12,243 | 27,224 |
| 47 | 1,631 | 858 | 2,316 | 1,463 | 2,652 | 4,525 | 13,445 |
| 48 | 1,608 | 717 | 1,963 | 528 | 939 | 2,630 | 8,385 |
| 49 | 686 | 502 | 3,275 | 2,331 | 1,330 | 7,891 | 16,014 |
| 50 | 3,126 | 3,392 | 482 | 3,766 | 1,151 | 3,472 | 15,389 |
| 51 | 1,406 | - | 3,606 | 392 | 333 | 2,167 | 7,903 |
| 52 | 1,786 | 306 | 8,393 | - | 24 | 4,220 | 14,731 |
| 53 | 3,229 | 1,629 | 515 | 359 | 1,171 | 2,396 | 9,298 |
| 54 | 1,900 | 367 | 4,906 | 224 | 101 | 6,461 | 13,960 |
| 55 | 1,597 | 181 | 857 | 464 | 501 | 4,759 | 8,360 |
| 56 | 1,753 | 640 | 826 | 1,030 | 280 | 9,156 | 13,685 |
| 57 | 5,242 | 955 | - | 276 | 1,073 | 2,205 | 9,752 |
| 58 | 904 | 1,302 | 1,296 | 552 | 283 | 2,569 | 6,906 |

Priority Mail
Test Year After Rates Volume After Migration, 2-Pound Rate to Flat Rate

Attachment C
 Page 4 of 9

| Weight to: (Pounds) | <u>L1,283</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 59 | 1,102 | - | - | 1,238 | 338 | - | 2,678 |
| 60 | 1,623 | 194 | 21,524 | 2,422 | 268 | 1,634 | 27,664 |
| 61 | 415 | 752 | 6,356 | 3,335 | - | 2,677 | 13,535 |
| 62 | 406 | - | 251 | 69 | - | 202 | 928 |
| 63 | 58 | 1,395 | - | - | 690 | 316 | 2,459 |
| 64 | 216 | - | 191 | 211 | 213 | - | 831 |
| 65 | 381 | 925 | - | - | 213 | 1,366 | 2,885 |
| 66 | 144 | 857 | 169 | 253 | 213 | - | 1,636 |
| 67 | 1,626 | - | - | 211 | - | 301 | 2,138 |
| 68 | 50 | - | - | 771 | 388 | 31 | 1,239 |
| 69 | - | - | 1,435 | 716 | 527 | - | 2,678 |
| 70 | - | - | - | 1,528 | - | 269 | 1,797 |
| Total | 482,771,086 | 166,318,590 | 192,644,275 | 108,335,747 | 80,947,768 | 147,739,533 | 1,178,757,000 |
| | | | | | | Pickup Stops | 261,597 |

Sources:

Flat rate: Attachment C, p. 1 + Attachment C, p. 3, column (d)

2-pound: Attachment C, p. 3, column (e)

All else: Attachment C, p. 1

Priority Mail
Average Postage Weight, Flat-Rate Envelopes
TYAR, After Migration

Attachment C

Page 5 of 9

| | Flat-Rate Volume (a) | Percent of Total (b) | Average Weight (Lbs.) Per Piece (c) | Weighted-Avg. Weight/Piece (d) = (b) * (c) |
|--------------------------------|----------------------------|----------------------------|---|--|
| Before Migration | 117,603,146 | 77.5% | 0.632 | 0.490 |
| Migration | 34,198,694 | 22.5% | 1.435 | 0.323 |
| Total (After Migration) | 151,801,840 | | | 0.813 |

Sources:

- (a) Attachment C, pp. 1 and 3, column (d)
- (b) Column (a) / Column (a) Total
- (c) Attachment C, p. 2, column (e)

Priority Mail
Weight per Piece (Pounds), TYAR

Attachment C
 Page 6 of 9

Weight to:

| <u>(Pounds)</u> | <u>L.1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> |
|-----------------|--------------------|---------------|---------------|---------------|---------------|---------------|
| Flat Rate | 0.813 | 0.813 | 0.813 | 0.813 | 0.813 | 0.813 |
| 1 | 0.696 | 0.696 | 0.696 | 0.696 | 0.696 | 0.696 |
| 2 | 1.435 | 1.435 | 1.435 | 1.435 | 1.435 | 1.435 |
| 3 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| 4 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| 5 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| 6 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 |
| 7 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| 8 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 |
| 9 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 |
| 10 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| 11 | 11.00 | 11.00 | 11.00 | 11.00 | 11.00 | 11.00 |
| 12 | 12.00 | 12.00 | 12.00 | 12.00 | 12.00 | 12.00 |
| 13 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 |
| 14 | 14.00 | 14.00 | 14.00 | 14.00 | 14.00 | 14.00 |
| 15 | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 | 15.00 |
| 16 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 | 16.00 |
| 17 | 17.00 | 17.00 | 17.00 | 17.00 | 17.00 | 17.00 |
| 18 | 18.00 | 18.00 | 18.00 | 18.00 | 18.00 | 18.00 |
| 19 | 19.00 | 19.00 | 19.00 | 19.00 | 19.00 | 19.00 |
| 20 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| 21 | 21.00 | 21.00 | 21.00 | 21.00 | 21.00 | 21.00 |
| 22 | 22.00 | 22.00 | 22.00 | 22.00 | 22.00 | 22.00 |
| 23 | 23.00 | 23.00 | 23.00 | 23.00 | 23.00 | 23.00 |
| 24 | 24.00 | 24.00 | 24.00 | 24.00 | 24.00 | 24.00 |
| 25 | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 | 25.00 |
| 26 | 26.00 | 26.00 | 26.00 | 26.00 | 26.00 | 26.00 |
| 27 | 27.00 | 27.00 | 27.00 | 27.00 | 27.00 | 27.00 |
| 28 | 28.00 | 28.00 | 28.00 | 28.00 | 28.00 | 28.00 |
| 29 | 29.00 | 29.00 | 29.00 | 29.00 | 29.00 | 29.00 |
| 30 | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 |
| 31 | 31.00 | 31.00 | 31.00 | 31.00 | 31.00 | 31.00 |
| 32 | 32.00 | 32.00 | 32.00 | 32.00 | 32.00 | 32.00 |
| 33 | 33.00 | 33.00 | 33.00 | 33.00 | 33.00 | 33.00 |
| 34 | 34.00 | 34.00 | 34.00 | 34.00 | 34.00 | 34.00 |
| 35 | 35.00 | 35.00 | 35.00 | 35.00 | 35.00 | 35.00 |
| 36 | 36.00 | 36.00 | 36.00 | 36.00 | 36.00 | 36.00 |
| 37 | 37.00 | 37.00 | 37.00 | 37.00 | 37.00 | 37.00 |
| 38 | 38.00 | 38.00 | 38.00 | 38.00 | 38.00 | 38.00 |
| 39 | 39.00 | 39.00 | 39.00 | 39.00 | 39.00 | 39.00 |
| 40 | 40.00 | 40.00 | 40.00 | 40.00 | 40.00 | 40.00 |
| 41 | 41.00 | 41.00 | 41.00 | 41.00 | 41.00 | 41.00 |
| 42 | 42.00 | 42.00 | 42.00 | 42.00 | 42.00 | 42.00 |
| 43 | 43.00 | 43.00 | 43.00 | 43.00 | 43.00 | 43.00 |
| 44 | 44.00 | 44.00 | 44.00 | 44.00 | 44.00 | 44.00 |
| 45 | 45.00 | 45.00 | 45.00 | 45.00 | 45.00 | 45.00 |
| 46 | 46.00 | 46.00 | 46.00 | 46.00 | 46.00 | 46.00 |

Priority Mail
Weight per Piece (Pounds), TYAR

Attachment C
 Page 6 of 9

Weight to:

| <u>(Pounds)</u> | <u>L.1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> |
|-----------------|--------------------|---------------|---------------|---------------|---------------|---------------|
| 47 | 47.00 | 47.00 | 47.00 | 47.00 | 47.00 | 47.00 |
| 48 | 48.00 | 48.00 | 48.00 | 48.00 | 48.00 | 48.00 |
| 49 | 49.00 | 49.00 | 49.00 | 49.00 | 49.00 | 49.00 |
| 50 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 |
| 51 | 51.00 | 51.00 | 51.00 | 51.00 | 51.00 | 51.00 |
| 52 | 52.00 | 52.00 | 52.00 | 52.00 | 52.00 | 52.00 |
| 53 | 53.00 | 53.00 | 53.00 | 53.00 | 53.00 | 53.00 |
| 54 | 54.00 | 54.00 | 54.00 | 54.00 | 54.00 | 54.00 |
| 55 | 55.00 | 55.00 | 55.00 | 55.00 | 55.00 | 55.00 |
| 56 | 56.00 | 56.00 | 56.00 | 56.00 | 56.00 | 56.00 |
| 57 | 57.00 | 57.00 | 57.00 | 57.00 | 57.00 | 57.00 |
| 58 | 58.00 | 58.00 | 58.00 | 58.00 | 58.00 | 58.00 |
| 59 | 59.00 | 59.00 | 59.00 | 59.00 | 59.00 | 59.00 |
| 60 | 60.00 | 60.00 | 60.00 | 60.00 | 60.00 | 60.00 |
| 61 | 61.00 | 61.00 | 61.00 | 61.00 | 61.00 | 61.00 |
| 62 | 62.00 | 62.00 | 62.00 | 62.00 | 62.00 | 62.00 |
| 63 | 63.00 | 63.00 | 63.00 | 63.00 | 63.00 | 63.00 |
| 64 | 64.00 | 64.00 | 64.00 | 64.00 | 64.00 | 64.00 |
| 65 | 65.00 | 65.00 | 65.00 | 65.00 | 65.00 | 65.00 |
| 66 | 66.00 | 66.00 | 66.00 | 66.00 | 66.00 | 66.00 |
| 67 | 67.00 | 67.00 | 67.00 | 67.00 | 67.00 | 67.00 |
| 68 | 68.00 | 68.00 | 68.00 | 68.00 | 68.00 | 68.00 |
| 69 | 69.00 | 69.00 | 69.00 | 69.00 | 69.00 | 69.00 |
| 70 | 70.00 | 70.00 | 70.00 | 70.00 | 70.00 | 70.00 |

Sources:

Flat rate: Attachment C, p. 5, column (d)

1- and 2-pound: Attachment C, p. 2, column (e)

3-70 pounds: maximum postage weight

Priority Mail
Total Weight (Pounds), TYAR

Attachment C
 Page 7 of 9

Weight to:

| <u>(Pounds)</u> | <u>L. 1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|-----------------|---------------------|---------------|---------------|---------------|---------------|---------------|--------------|
| Flat Rate | 53,469,078 | 16,986,830 | 19,196,827 | 11,600,820 | 7,764,100 | 14,394,590 | 123,412,243 |
| 1 | 106,156,557 | 32,563,136 | 37,670,082 | 20,925,695 | 15,258,385 | 28,158,473 | 240,732,329 |
| 2 | 234,918,391 | 79,267,585 | 88,792,139 | 47,999,751 | 36,174,120 | 63,616,759 | 550,768,745 |
| 3 | 158,102,455 | 65,625,709 | 72,855,928 | 41,468,792 | 32,675,434 | 58,599,709 | 429,328,026 |
| 4 | 83,134,981 | 36,179,915 | 45,313,692 | 24,979,815 | 19,552,522 | 36,398,815 | 245,559,739 |
| 5 | 49,437,864 | 21,916,451 | 30,009,039 | 16,529,863 | 12,977,678 | 25,136,285 | 156,007,179 |
| 6 | 31,848,265 | 14,006,606 | 20,549,070 | 11,818,990 | 9,393,084 | 17,129,835 | 104,745,850 |
| 7 | 24,087,860 | 10,791,752 | 15,547,937 | 8,504,769 | 6,564,228 | 13,812,135 | 79,308,682 |
| 8 | 18,049,972 | 7,844,906 | 11,428,423 | 7,638,174 | 6,268,161 | 11,723,236 | 62,952,871 |
| 9 | 12,814,159 | 6,513,880 | 8,456,618 | 5,912,888 | 4,125,079 | 9,233,808 | 47,056,432 |
| 10 | 9,568,155 | 5,046,678 | 7,368,288 | 5,115,816 | 3,955,404 | 7,705,653 | 38,759,995 |
| 11 | 9,110,915 | 3,988,433 | 5,807,620 | 4,004,696 | 3,033,842 | 6,788,683 | 32,734,189 |
| 12 | 7,009,707 | 4,131,511 | 4,852,703 | 3,422,822 | 3,556,465 | 5,013,961 | 27,987,169 |
| 13 | 5,929,031 | 2,779,885 | 4,635,236 | 2,439,554 | 2,558,921 | 4,340,285 | 22,682,913 |
| 14 | 4,375,632 | 2,172,437 | 3,106,740 | 2,550,246 | 1,894,128 | 3,600,821 | 17,700,005 |
| 15 | 4,953,128 | 2,164,767 | 2,807,642 | 2,227,305 | 2,046,083 | 3,611,268 | 17,810,193 |
| 16 | 2,854,399 | 1,329,979 | 2,809,736 | 1,338,423 | 1,401,899 | 3,328,089 | 13,062,525 |
| 17 | 2,867,497 | 1,661,369 | 2,106,939 | 1,550,231 | 1,282,451 | 3,017,518 | 12,486,005 |
| 18 | 2,434,574 | 1,054,741 | 1,477,450 | 1,022,555 | 1,262,358 | 2,659,693 | 9,911,372 |
| 19 | 1,775,193 | 1,600,908 | 1,363,870 | 992,805 | 955,012 | 3,209,999 | 9,897,787 |
| 20 | 2,314,992 | 961,726 | 1,455,223 | 999,106 | 1,496,909 | 1,355,018 | 8,582,974 |
| 21 | 2,324,551 | 873,778 | 1,127,948 | 671,003 | 1,030,741 | 1,750,509 | 7,778,531 |
| 22 | 1,907,844 | 1,189,380 | 1,249,756 | 1,288,563 | 647,089 | 1,684,396 | 7,967,027 |
| 23 | 1,578,111 | 1,162,905 | 667,397 | 1,039,571 | 797,520 | 1,625,706 | 6,871,211 |
| 24 | 1,782,415 | 985,222 | 1,046,505 | 665,656 | 617,970 | 1,424,439 | 6,522,208 |
| 25 | 1,027,321 | 662,522 | 647,478 | 694,617 | 416,504 | 1,805,369 | 5,253,812 |
| 26 | 1,278,859 | 676,840 | 663,273 | 374,620 | 363,811 | 1,262,255 | 4,619,659 |
| 27 | 1,316,608 | 392,815 | 727,104 | 422,271 | 348,701 | 1,097,952 | 4,305,451 |
| 28 | 936,187 | 361,384 | 541,853 | 727,911 | 235,336 | 1,192,089 | 3,994,759 |
| 29 | 516,512 | 434,078 | 459,156 | 137,256 | 449,514 | 732,161 | 2,728,677 |
| 30 | 1,444,073 | 989,726 | 840,738 | 388,110 | 874,387 | 831,635 | 5,368,670 |
| 31 | 1,613,017 | 197,602 | 238,405 | 238,062 | 202,464 | 932,490 | 3,422,039 |
| 32 | 719,138 | 538,636 | 209,500 | 545,287 | 221,927 | 749,794 | 2,984,282 |
| 33 | 916,889 | 394,246 | 208,782 | 214,424 | 185,726 | 701,854 | 2,621,922 |
| 34 | 845,447 | 298,483 | 104,326 | 466,581 | 218,973 | 613,263 | 2,547,073 |
| 35 | 1,016,945 | 790,418 | 175,394 | 281,489 | 253,986 | 873,157 | 3,391,389 |
| 36 | 728,268 | 52,241 | 341,986 | 362,094 | 211,066 | 759,974 | 2,455,629 |
| 37 | 361,897 | 63,770 | 102,780 | 188,991 | 171,270 | 518,843 | 1,407,550 |
| 38 | 475,983 | 140,708 | 208,854 | 152,287 | 1,359,270 | 306,619 | 2,643,721 |
| 39 | 284,601 | 207,269 | 86,208 | 245,807 | 224,530 | 805,166 | 1,853,581 |
| 40 | 266,008 | 239,233 | 135,446 | 77,450 | 265,768 | 432,985 | 1,416,890 |
| 41 | 574,542 | 268,015 | 267,422 | 142,088 | 80,689 | 721,032 | 2,053,788 |
| 42 | 196,612 | 115,121 | 80,101 | 56,236 | 128,264 | 162,430 | 738,764 |
| 43 | 159,870 | 174,847 | 252,570 | 68,302 | 115,821 | 414,045 | 1,185,457 |
| 44 | 391,460 | 113,355 | 107,808 | 54,682 | 188,786 | 304,183 | 1,160,274 |
| 45 | 132,700 | 24,197 | 198,038 | 47,503 | 90,969 | 942,548 | 1,435,955 |
| 46 | 138,773 | 143,716 | 125,326 | 67,683 | 213,661 | 563,161 | 1,252,320 |

Priority Mail
Total Weight (Pounds), TYAR

Attachment C
 Page 7 of 9

Weight to:

| <u>(Pounds)</u> | <u>L1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|-----------------|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 47 | 76,675 | 40,321 | 108,863 | 68,759 | 124,632 | 212,681 | 631,930 |
| 48 | 77,180 | 34,422 | 94,202 | 25,341 | 45,072 | 126,246 | 402,463 |
| 49 | 33,593 | 24,597 | 160,461 | 114,212 | 65,157 | 386,654 | 784,675 |
| 50 | 156,314 | 169,617 | 24,096 | 188,285 | 57,537 | 173,609 | 769,459 |
| 51 | 71,710 | 0 | 183,882 | 19,974 | 16,965 | 110,522 | 403,053 |
| 52 | 92,894 | 15,931 | 436,456 | 0 | 1,271 | 219,452 | 766,004 |
| 53 | 171,137 | 86,359 | 27,278 | 19,026 | 62,037 | 126,973 | 492,809 |
| 54 | 102,613 | 19,817 | 264,947 | 12,104 | 5,463 | 348,912 | 753,856 |
| 55 | 87,846 | 9,978 | 47,139 | 25,533 | 27,559 | 261,762 | 459,818 |
| 56 | 98,157 | 35,850 | 46,269 | 57,671 | 15,676 | 512,748 | 766,370 |
| 57 | 298,815 | 54,461 | 0 | 15,727 | 61,141 | 125,701 | 555,844 |
| 58 | 52,427 | 75,529 | 75,151 | 32,005 | 16,429 | 148,984 | 400,525 |
| 59 | 65,011 | 0 | 0 | 73,063 | 19,934 | 0 | 158,008 |
| 60 | 97,381 | 11,633 | 1,291,414 | 145,332 | 16,072 | 98,030 | 1,659,863 |
| 61 | 25,289 | 45,864 | 387,703 | 203,455 | 0 | 163,317 | 825,628 |
| 62 | 25,193 | 0 | 15,536 | 4,308 | 0 | 12,505 | 57,542 |
| 63 | 3,665 | 87,900 | 0 | 0 | 43,453 | 19,927 | 154,945 |
| 64 | 13,793 | 0 | 12,245 | 13,496 | 13,647 | 0 | 53,180 |
| 65 | 24,737 | 60,144 | 0 | 0 | 13,860 | 88,766 | 187,507 |
| 66 | 9,502 | 56,567 | 11,146 | 16,673 | 14,073 | 0 | 107,962 |
| 67 | 108,916 | 0 | 0 | 14,128 | 0 | 20,175 | 143,219 |
| 68 | 3,385 | 0 | 0 | 52,396 | 26,365 | 2,094 | 84,240 |
| 69 | 0 | 0 | 99,002 | 49,412 | 36,376 | 0 | 184,790 |
| 70 | 0 | 0 | 0 | 106,957 | 0 | 18,825 | 125,782 |
| Total | 849,843,669 | 330,908,702 | 401,711,151 | 233,919,519 | 184,793,722 | 349,220,570 | 2,350,397,332 |

Source: By rate cell, Attachment C, p. 4 * Attachment C, p. 6

**Priority Mail
Proposed Rates**

Attachment C
Page 8 of 9

Weight to:

| <u>(Pounds)</u> | <u>L 1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> |
|-----------------|--------------------|---------------|---------------|---------------|---------------|---------------|
| Flat Rate | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 |
| 1 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 |
| 2 | \$ 3.95 | \$ 4.55 | \$ 4.90 | \$ 5.05 | \$ 5.40 | \$ 5.75 |
| 3 | \$ 4.75 | \$ 6.05 | \$ 6.85 | \$ 7.15 | \$ 7.85 | \$ 8.55 |
| 4 | \$ 5.30 | \$ 7.05 | \$ 8.05 | \$ 8.50 | \$ 9.45 | \$ 10.35 |
| 5 | \$ 5.85 | \$ 8.00 | \$ 9.30 | \$ 9.85 | \$ 11.00 | \$ 12.15 |
| 6 | \$ 6.30 | \$ 8.85 | \$ 9.90 | \$ 10.05 | \$ 11.30 | \$ 12.30 |
| 7 | \$ 6.80 | \$ 9.80 | \$ 10.65 | \$ 11.00 | \$ 12.55 | \$ 14.05 |
| 8 | \$ 7.35 | \$ 10.75 | \$ 11.45 | \$ 11.95 | \$ 13.80 | \$ 15.75 |
| 9 | \$ 7.90 | \$ 11.70 | \$ 12.20 | \$ 12.90 | \$ 15.05 | \$ 17.50 |
| 10 | \$ 8.40 | \$ 12.60 | \$ 13.00 | \$ 14.00 | \$ 16.30 | \$ 19.20 |
| 11 | \$ 8.95 | \$ 13.35 | \$ 13.75 | \$ 15.15 | \$ 17.55 | \$ 20.90 |
| 12 | \$ 9.50 | \$ 14.05 | \$ 14.50 | \$ 16.30 | \$ 18.80 | \$ 22.65 |
| 13 | \$ 10.00 | \$ 14.75 | \$ 15.30 | \$ 17.50 | \$ 20.05 | \$ 24.35 |
| 14 | \$ 10.55 | \$ 15.45 | \$ 16.05 | \$ 18.60 | \$ 21.25 | \$ 26.05 |
| 15 | \$ 11.05 | \$ 16.20 | \$ 16.85 | \$ 19.75 | \$ 22.50 | \$ 27.80 |
| 16 | \$ 11.60 | \$ 16.90 | \$ 17.60 | \$ 20.85 | \$ 23.75 | \$ 29.50 |
| 17 | \$ 12.15 | \$ 17.60 | \$ 18.35 | \$ 22.05 | \$ 25.00 | \$ 31.20 |
| 18 | \$ 12.65 | \$ 18.30 | \$ 19.30 | \$ 23.15 | \$ 26.25 | \$ 32.95 |
| 19 | \$ 13.20 | \$ 19.00 | \$ 20.20 | \$ 24.30 | \$ 27.50 | \$ 34.65 |
| 20 | \$ 13.75 | \$ 19.75 | \$ 21.15 | \$ 25.35 | \$ 28.75 | \$ 36.40 |
| 21 | \$ 14.25 | \$ 20.45 | \$ 22.05 | \$ 26.55 | \$ 30.00 | \$ 38.10 |
| 22 | \$ 14.80 | \$ 21.15 | \$ 22.95 | \$ 27.65 | \$ 31.20 | \$ 39.80 |
| 23 | \$ 15.30 | \$ 21.85 | \$ 23.90 | \$ 28.80 | \$ 32.45 | \$ 41.55 |
| 24 | \$ 15.85 | \$ 22.55 | \$ 24.85 | \$ 29.90 | \$ 33.70 | \$ 43.25 |
| 25 | \$ 16.40 | \$ 23.30 | \$ 25.75 | \$ 31.10 | \$ 34.95 | \$ 44.95 |
| 26 | \$ 16.90 | \$ 24.00 | \$ 26.60 | \$ 32.25 | \$ 36.20 | \$ 46.70 |
| 27 | \$ 17.45 | \$ 24.70 | \$ 27.55 | \$ 33.35 | \$ 37.45 | \$ 48.40 |
| 28 | \$ 18.00 | \$ 25.40 | \$ 28.50 | \$ 34.50 | \$ 38.70 | \$ 50.15 |
| 29 | \$ 18.50 | \$ 26.15 | \$ 29.45 | \$ 35.60 | \$ 39.95 | \$ 51.85 |
| 30 | \$ 19.05 | \$ 26.85 | \$ 30.35 | \$ 36.80 | \$ 41.20 | \$ 53.55 |
| 31 | \$ 19.55 | \$ 27.55 | \$ 31.20 | \$ 37.85 | \$ 42.40 | \$ 55.30 |
| 32 | \$ 20.10 | \$ 28.25 | \$ 32.15 | \$ 39.00 | \$ 43.65 | \$ 57.00 |
| 33 | \$ 20.65 | \$ 28.95 | \$ 33.10 | \$ 40.10 | \$ 44.90 | \$ 58.70 |
| 34 | \$ 21.15 | \$ 29.70 | \$ 34.00 | \$ 41.25 | \$ 46.15 | \$ 60.45 |
| 35 | \$ 21.70 | \$ 30.40 | \$ 34.95 | \$ 42.40 | \$ 47.40 | \$ 62.15 |
| 36 | \$ 22.25 | \$ 31.10 | \$ 35.85 | \$ 43.55 | \$ 48.65 | \$ 63.85 |
| 37 | \$ 22.75 | \$ 31.95 | \$ 36.80 | \$ 44.65 | \$ 49.90 | \$ 65.60 |
| 38 | \$ 23.30 | \$ 32.65 | \$ 37.70 | \$ 45.85 | \$ 51.15 | \$ 67.30 |
| 39 | \$ 23.75 | \$ 33.50 | \$ 38.65 | \$ 47.00 | \$ 52.40 | \$ 69.05 |
| 40 | \$ 24.25 | \$ 34.30 | \$ 39.60 | \$ 48.10 | \$ 53.60 | \$ 70.75 |
| 41 | \$ 24.70 | \$ 35.00 | \$ 40.45 | \$ 49.25 | \$ 54.85 | \$ 72.45 |
| 42 | \$ 25.20 | \$ 35.85 | \$ 41.35 | \$ 50.30 | \$ 56.15 | \$ 74.20 |
| 43 | \$ 25.65 | \$ 36.60 | \$ 42.30 | \$ 51.50 | \$ 57.40 | \$ 75.90 |
| 44 | \$ 26.15 | \$ 37.40 | \$ 43.25 | \$ 52.60 | \$ 58.70 | \$ 77.60 |
| 45 | \$ 26.60 | \$ 38.20 | \$ 44.15 | \$ 53.75 | \$ 59.95 | \$ 79.35 |
| 46 | \$ 27.10 | \$ 39.00 | \$ 45.05 | \$ 54.85 | \$ 61.20 | \$ 81.05 |

**Priority Mail
Proposed Rates**

Attachment C
Page 8 of 9

Weight to:

| <u>(Pounds)</u> | <u>L1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> |
|-----------------|-------------------|---------------|---------------|---------------|---------------|---------------|
| 47 | \$ 27.55 | \$ 39.75 | \$ 46.00 | \$ 56.05 | \$ 62.50 | \$ 82.75 |
| 48 | \$ 28.05 | \$ 40.60 | \$ 46.95 | \$ 57.20 | \$ 63.75 | \$ 84.50 |
| 49 | \$ 28.50 | \$ 41.35 | \$ 47.80 | \$ 58.30 | \$ 65.05 | \$ 86.20 |
| 50 | \$ 28.95 | \$ 42.15 | \$ 48.75 | \$ 59.45 | \$ 66.30 | \$ 87.95 |
| 51 | \$ 29.45 | \$ 42.95 | \$ 49.65 | \$ 60.55 | \$ 67.55 | \$ 89.65 |
| 52 | \$ 29.90 | \$ 43.75 | \$ 50.60 | \$ 61.75 | \$ 68.80 | \$ 91.35 |
| 53 | \$ 30.40 | \$ 44.50 | \$ 51.50 | \$ 62.85 | \$ 70.05 | \$ 93.10 |
| 54 | \$ 30.85 | \$ 45.25 | \$ 52.45 | \$ 63.95 | \$ 71.30 | \$ 94.80 |
| 55 | \$ 31.35 | \$ 46.10 | \$ 53.40 | \$ 65.05 | \$ 72.50 | \$ 96.50 |
| 56 | \$ 31.80 | \$ 46.85 | \$ 54.25 | \$ 66.25 | \$ 73.75 | \$ 98.25 |
| 57 | \$ 32.30 | \$ 47.65 | \$ 55.15 | \$ 67.35 | \$ 75.00 | \$ 99.95 |
| 58 | \$ 32.75 | \$ 48.45 | \$ 56.10 | \$ 68.50 | \$ 76.25 | \$ 101.65 |
| 59 | \$ 33.25 | \$ 49.25 | \$ 57.05 | \$ 69.60 | \$ 77.50 | \$ 103.40 |
| 60 | \$ 33.70 | \$ 50.00 | \$ 58.00 | \$ 70.80 | \$ 78.75 | \$ 105.10 |
| 61 | \$ 34.20 | \$ 50.85 | \$ 58.85 | \$ 71.95 | \$ 80.00 | \$ 106.85 |
| 62 | \$ 34.65 | \$ 51.55 | \$ 59.80 | \$ 73.05 | \$ 81.25 | \$ 108.55 |
| 63 | \$ 35.15 | \$ 52.40 | \$ 60.75 | \$ 74.20 | \$ 82.50 | \$ 110.25 |
| 64 | \$ 35.60 | \$ 53.20 | \$ 61.70 | \$ 75.35 | \$ 83.70 | \$ 112.00 |
| 65 | \$ 36.10 | \$ 53.90 | \$ 62.50 | \$ 76.45 | \$ 84.95 | \$ 113.70 |
| 66 | \$ 36.55 | \$ 54.75 | \$ 63.45 | \$ 77.55 | \$ 86.20 | \$ 115.40 |
| 67 | \$ 37.05 | \$ 55.60 | \$ 64.40 | \$ 78.70 | \$ 87.45 | \$ 117.15 |
| 68 | \$ 37.50 | \$ 56.30 | \$ 65.35 | \$ 79.80 | \$ 88.70 | \$ 118.85 |
| 69 | \$ 38.00 | \$ 57.10 | \$ 66.25 | \$ 81.00 | \$ 89.95 | \$ 120.55 |
| 70 | \$ 38.45 | \$ 57.95 | \$ 67.15 | \$ 82.10 | \$ 91.20 | \$ 122.30 |

Source: Attachment F, p. 14

Pickup Fee \$ 12.50

Priority Mail
Test Year After Rates Calculated Revenue

Attachment C
 Page 9 of 9

| Weight to: <u>(Pounds)</u> | <u>L_1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|-------------------------------|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Flat Rate | \$253,210,790 | \$80,443,665 | \$90,909,438 | \$54,937,411 | \$36,768,051 | \$68,167,727 | \$584,437,083 |
| 1 | \$587,156,085 | \$180,107,985 | \$208,354,705 | \$115,740,844 | \$84,394,725 | \$155,745,620 | 1,331,498,964 |
| 2 | \$646,510,268 | \$251,286,025 | \$303,132,088 | \$168,885,233 | \$136,098,408 | \$254,859,426 | 1,760,771,448 |
| 3 | \$250,328,887 | \$132,345,181 | \$166,354,369 | \$98,833,953 | \$85,500,718 | \$167,009,171 | 900,372,278 |
| 4 | \$110,153,850 | \$63,767,100 | \$91,193,805 | \$53,082,107 | \$46,192,832 | \$94,181,935 | 458,571,628 |
| 5 | \$57,842,300 | \$35,066,321 | \$55,816,812 | \$32,563,830 | \$28,550,892 | \$61,081,173 | 270,921,328 |
| 6 | \$33,440,678 | \$20,659,743 | \$33,905,966 | \$19,796,808 | \$17,690,309 | \$35,116,162 | 160,609,666 |
| 7 | \$23,399,635 | \$15,108,453 | \$23,655,076 | \$13,364,638 | \$11,768,724 | \$27,722,928 | 115,019,453 |
| 8 | \$16,583,411 | \$10,541,592 | \$16,356,930 | \$11,409,523 | \$10,812,577 | \$23,080,120 | 88,784,154 |
| 9 | \$11,247,984 | \$8,468,044 | \$11,463,415 | \$8,475,140 | \$6,898,048 | \$17,954,627 | 64,507,258 |
| 10 | \$8,037,250 | \$6,358,815 | \$9,578,775 | \$7,162,143 | \$6,447,308 | \$14,794,855 | 52,379,145 |
| 11 | \$7,412,972 | \$4,840,508 | \$7,259,525 | \$5,515,559 | \$4,840,356 | \$12,898,497 | 42,767,417 |
| 12 | \$5,549,351 | \$4,837,310 | \$5,863,683 | \$4,649,334 | \$5,571,795 | \$9,463,851 | 35,935,324 |
| 13 | \$4,560,793 | \$3,154,101 | \$5,455,316 | \$3,284,014 | \$3,946,644 | \$8,129,688 | 28,530,557 |
| 14 | \$3,297,351 | \$2,397,440 | \$3,561,655 | \$3,388,184 | \$2,875,016 | \$6,700,100 | 22,219,746 |
| 15 | \$3,648,804 | \$2,337,949 | \$3,153,918 | \$2,932,618 | \$3,069,125 | \$6,692,883 | 21,835,296 |
| 16 | \$2,069,439 | \$1,404,791 | \$3,090,709 | \$1,744,132 | \$2,080,944 | \$6,136,164 | 16,526,179 |
| 17 | \$2,049,417 | \$1,720,006 | \$2,274,254 | \$2,010,741 | \$1,885,957 | \$5,538,033 | 15,478,409 |
| 18 | \$1,710,965 | \$1,072,320 | \$1,584,155 | \$1,315,120 | \$1,840,939 | \$4,868,715 | 12,392,214 |
| 19 | \$1,233,292 | \$1,600,908 | \$1,450,009 | \$1,269,745 | \$1,382,254 | \$5,854,024 | 12,790,233 |
| 20 | \$1,591,557 | \$949,704 | \$1,538,898 | \$1,266,366 | \$2,151,806 | \$2,466,133 | 9,964,466 |
| 21 | \$1,577,374 | \$850,894 | \$1,184,346 | \$848,340 | \$1,472,488 | \$3,175,923 | 9,109,364 |
| 22 | \$1,283,459 | \$1,143,427 | \$1,303,722 | \$1,619,489 | \$917,689 | \$3,047,226 | 9,315,012 |
| 23 | \$1,049,787 | \$1,104,760 | \$693,513 | \$1,301,723 | \$1,125,196 | \$2,936,874 | 8,211,854 |
| 24 | \$1,177,137 | \$925,698 | \$1,083,569 | \$829,297 | \$867,733 | \$2,566,957 | 7,450,392 |
| 25 | \$673,923 | \$617,471 | \$666,903 | \$864,104 | \$582,272 | \$3,246,054 | 6,650,726 |
| 26 | \$831,258 | \$624,775 | \$678,580 | \$464,873 | \$506,537 | \$2,267,205 | 5,373,028 |
| 27 | \$850,919 | \$359,353 | \$741,915 | \$521,583 | \$483,662 | \$1,968,181 | 4,925,612 |
| 28 | \$601,834 | \$327,827 | \$551,529 | \$896,890 | \$325,268 | \$2,135,116 | 4,838,464 |
| 29 | \$329,499 | \$391,419 | \$466,281 | \$168,493 | \$619,244 | \$1,309,053 | 3,283,989 |
| 30 | \$916,987 | \$885,805 | \$850,546 | \$476,082 | \$1,200,825 | \$1,484,469 | 5,814,713 |
| 31 | \$1,017,241 | \$175,611 | \$239,943 | \$290,666 | \$276,918 | \$1,663,441 | 3,663,821 |
| 32 | \$451,709 | \$475,515 | \$210,482 | \$664,569 | \$302,722 | \$1,335,570 | 3,440,566 |
| 33 | \$573,751 | \$345,861 | \$209,415 | \$260,558 | \$252,700 | \$1,248,449 | 2,890,733 |
| 34 | \$525,918 | \$260,734 | \$104,326 | \$566,072 | \$297,223 | \$1,090,346 | 2,844,619 |
| 35 | \$630,506 | \$686,535 | \$175,143 | \$341,004 | \$343,970 | \$1,550,477 | 3,727,635 |
| 36 | \$450,110 | \$45,130 | \$340,561 | \$438,033 | \$285,232 | \$1,347,899 | 2,906,966 |
| 37 | \$222,518 | \$55,066 | \$102,224 | \$228,066 | \$230,983 | \$919,895 | 1,758,752 |
| 38 | \$291,853 | \$120,898 | \$207,205 | \$183,747 | \$1,829,650 | \$543,038 | 3,176,390 |
| 39 | \$173,315 | \$178,039 | \$85,434 | \$296,229 | \$301,676 | \$1,425,557 | 2,460,249 |
| 40 | \$161,268 | \$205,142 | \$134,092 | \$93,134 | \$356,129 | \$765,843 | 1,715,607 |
| 41 | \$346,127 | \$228,793 | \$283,835 | \$170,679 | \$107,946 | \$1,274,115 | 2,391,495 |
| 42 | \$117,967 | \$98,264 | \$78,861 | \$67,349 | \$171,476 | \$286,960 | 820,877 |
| 43 | \$95,364 | \$148,824 | \$248,459 | \$81,804 | \$154,608 | \$730,838 | 1,459,896 |
| 44 | \$232,652 | \$96,352 | \$105,970 | \$65,370 | \$251,858 | \$536,468 | 1,288,670 |
| 45 | \$78,441 | \$20,540 | \$194,297 | \$56,740 | \$121,191 | \$1,662,027 | 2,133,236 |
| 46 | \$81,755 | \$121,846 | \$122,738 | \$80,705 | \$284,263 | \$992,265 | 1,683,572 |
| 47 | \$44,944 | \$34,101 | \$106,547 | \$81,998 | \$165,734 | \$374,454 | 807,779 |
| 48 | \$45,102 | \$29,115 | \$92,141 | \$30,198 | \$59,861 | \$222,245 | 478,663 |
| 49 | \$19,539 | \$20,757 | \$156,532 | \$135,889 | \$86,500 | \$680,195 | 1,099,411 |
| 50 | \$90,506 | \$142,987 | \$23,493 | \$223,871 | \$76,294 | \$305,379 | 862,530 |
| 51 | \$41,409 | \$0 | \$179,015 | \$23,714 | \$22,471 | \$194,281 | 460,889 |
| 52 | \$53,414 | \$13,403 | \$424,705 | \$0 | \$1,682 | \$385,518 | 878,723 |
| 53 | \$98,162 | \$72,509 | \$26,506 | \$22,561 | \$81,994 | \$223,041 | 524,773 |
| 54 | \$58,622 | \$16,606 | \$257,342 | \$14,334 | \$7,213 | \$612,535 | 966,652 |
| 55 | \$50,072 | \$8,364 | \$45,768 | \$30,198 | \$36,328 | \$459,274 | 630,004 |
| 56 | \$55,739 | \$29,992 | \$44,823 | \$68,227 | \$20,644 | \$899,598 | 1,119,023 |
| 57 | \$169,328 | \$45,527 | \$0 | \$18,582 | \$80,448 | \$220,419 | 534,305 |
| 58 | \$29,603 | \$63,093 | \$72,689 | \$37,799 | \$21,598 | \$261,108 | 485,890 |

Priority Mail
Test Year After Rates Calculated Revenue

Attachment C
 Page 9 of 9

| Weight to: (Pounds) | L.1,2&3 | Zone 4 | Zone 5 | Zone 6 | Zone 7 | Zone 8 | Total |
|------------------------|-----------------|---------------|-----------------|---------------|---------------|-----------------|-----------------|
| 59 | \$36,638 | \$0 | \$0 | \$86,190 | \$26,184 | \$0 | 149,012 |
| 60 | \$54,696 | \$9,694 | \$1,248,367 | \$171,492 | \$21,095 | \$171,716 | 1,677,060 |
| 61 | \$14,179 | \$38,233 | \$374,038 | \$239,977 | \$0 | \$286,072 | 952,498 |
| 62 | \$14,080 | \$0 | \$14,985 | \$5,076 | \$0 | \$21,894 | 56,034 |
| 63 | \$2,045 | \$73,110 | \$0 | \$0 | \$56,903 | \$34,872 | 166,830 |
| 64 | \$7,672 | \$0 | \$11,805 | \$15,889 | \$17,847 | \$0 | 53,213 |
| 65 | \$13,738 | \$49,874 | \$0 | \$0 | \$18,114 | \$155,271 | 236,997 |
| 66 | \$5,262 | \$46,925 | \$10,716 | \$19,591 | \$18,380 | \$0 | 100,874 |
| 67 | \$60,229 | \$0 | \$0 | \$16,595 | \$0 | \$35,276 | 112,100 |
| 68 | \$1,867 | \$0 | \$0 | \$61,489 | \$34,391 | \$3,659 | 101,406 |
| 69 | \$0 | \$0 | \$95,057 | \$58,005 | \$47,420 | \$0 | 200,482 |
| 70 | \$0 | \$0 | \$0 | \$125,446 | \$0 | \$32,889 | 158,335 |
| Total | \$2,046,744,596 | \$839,656,825 | \$1,060,181,923 | \$624,989,962 | \$515,337,989 | \$1,035,551,771 | \$6,122,463,067 |

Source: By rate cell, Attachment C, p. 4 * Attachment C, p. 8

(a) →

Less, Effects of Priority Mail Presort Experiment:

| | | |
|---|------------------------------|------------------|
| (b) LR-J-28, Section C2, p. 15 | Volume | 17,901,000 |
| (c) LR-J-28, p. 1, File FPMAR01.xls, Sheet I | Avg. Discount/Piece | \$ 0.1766667 |
| (d) = (b) * (c) | Revenue | \$ 3,162,511 |
| | | |
| (e) = (a) - (d) | Net Revenue | \$6,119,300,556 |
| | | |
| (f) Billing Determinants, FY 2000, LR-J-98, B-1, p. 3 | Adjustment Factor | 101.243535% |
| (g) = (e) * (f) | Adjusted Postage Revenue | \$6,195,396,230 |
| (h) Attachment G | Pickup Fee Revenue | \$3,269,967 |
| (i) - (g) + (h) | Total Revenue W/o S.S. Fees | \$6,198,666,197 |
| (j) USPS-T-36, WP-15 | Special Services Fees | \$1,417,000 |
| (k) = (l) + (j) | Total Revenue With S.S. Fees | \$ 6,200,083,197 |

| | | |
|---------|-------------------------------------|-----------------|
| Summary | Avg. Rev./Box S.S. Total/Piece TYAR | \$6,200,083,197 |
| Info. | Avg. Rev./Box S.S. Total/Piece TYAR | \$6,200,083,197 |
| Box | Average Price Increase | +12.50% |
| | Postage Cost Coverage TYAR | 173.04% |

Calculations:

- (l) = (l) / Attachment C, p. 4 Total
- (m) = Attachment B, p. 7, row (l) / Attachment B, p. 3 Total
- (n) = [(l) / (m)] - 1
- (o) = (g) / Total TYAR adjusted volume-variable costs with contingency

Sources:

- (o) USPS-T-6 and USPS-T-12, WP-H, Table E

Priority Mail
Development of Per-Piece Rate Element
Test Year Before Rates

Attachment D

| <u>Nontransportation Costs</u> | |
|---|---|
| (a) USPS-T-12, WP-F, Table E | Total Costs \$ 3,674,718 (000) |
| (b) USPS-T-12, WP-F, Table D | Total Transportation Costs \$ 1,414,237 (000) |
| (c) = (a) - (b) | Total Nontransportation Costs \$ 2,260,481 (000) |
| <u>Weight-Related Nontransportation Costs</u> | |
| (d) R97-1, PRC Lib. Ref. 12, p. 2 | Nontransportation Cost per Pound \$ 0.020000 |
| (e) Attachment B, p. 5 | Postage Pounds 2,506,539 (000) |
| (f) = (d) * (e) | Total Weight-Related Nontransportation Costs \$ 50,131 (000) |
| <u>Piece-Related Nontransportation Costs</u> | |
| (g) = (c) - (f) | Piece-Related Nontransportation Costs \$ 2,210,350 (000) |
| (h) USPS-T-6 | Contingency 3.0% |
| (i) = (g) * [1+ (h)] | Piece-Related Nontrans. Costs Including Contingency \$ 2,276,660 (000) |
| (j) Rate design assumption | Priority Mail Target Cost Coverage 171.2% |
| (k) = (i) * (j) | Piece-Related Nontrans. Costs Including Markup and Contingency \$ 3,898,098 (000) |
| (l) LR-J-28, Sect. C1, p. 12 | Test Year Before Rates Priority Mail Volume 1,257,064 (000) |
| (m) = (l) / (l) | Nontransportation Cost Per Piece Including Contingency \$ 1.611093 |
| (n) = (k) / (l) | Nontransportation Per-Piece Rate Element \$ 3.100954 |

Priority Mail
Development of Per-Pound Rate Elements
Test Year Before Rates

Attachment E
Page 1 of 3

(A) Calculation of Distance-Related and Nondistance-Related Transportation Costs

| | Transportation Costs (\$000) | Percent Distance-Related | Distance-Related Costs (\$000) | Nondistance-Related Costs (\$000) |
|------------------------|------------------------------|--------------------------|--------------------------------|-----------------------------------|
| | (a) | (b) | (c) = (a) * (b) | (d) = (a) - (c) |
| Air Transportation | 958,630 | 16.90% | 160,000 | 798,630 |
| Surface Transportation | 455,607 | 46.80% | 209,000 | 246,607 |
| Total | 1,414,237 | | 375,233 | 1,039,004 |

Sources: (a) USPS-T-12, WP-F, Table D
(b) LR-J-43, page 12

(B) Air Transportation Costs

| Zone | Other Air | | Passenger Air | |
|---------------|-----------------|-------------------------|-----------------|-------------------------|
| | Pounds (000) | Average Haul (Miles) | Pounds (000) | Average Haul (Miles) |
| 1 | 1 | 27 | 203 | 45 |
| 2 | 659 | 126 | 654 | 124 |
| 3 | 7,387 | 247 | 10,229 | 245 |
| Total L,1,2,3 | 8,048 | | 11,086 | |
| 4 | 56,224 | 484 | 94,851 | 484 |
| 5 | 181,672 | 815 | 202,004 | 786 |
| 6 | 134,095 | 1,152 | 107,556 | 1,190 |
| 7 | 80,428 | 1,581 | 97,082 | 1,596 |
| 8 | 175,956 | 2,578 | 237,059 | 2,810 |
| Total | 636,422 | | 749,638 | |

| Zone | Total Air Pounds (000) | Total Non-distance-Related Air Costs (\$000) (f) | Total Passenger Pound Miles (000) (g) = (c) * (d) | Total Distance-Related Air Costs (\$000) (h) | Total Air Costs (\$000) (i) = (f) + (h) |
|---------------|---------------------------|---|--|---|--|
| | (e) = (a) + (c) | | | | |
| 1 | 205 | | 9,153 | | |
| 2 | 1,313 | | 81,049 | | |
| 3 | 17,616 | | 2,506,092 | | |
| Total L,1,2,3 | 19,134 | \$10,997 | 2,596,293 | \$364 | \$11,361 |
| 4 | 151,075 | \$86,828 | 45,907,889 | \$6,432 | \$93,260 |
| 5 | 383,676 | \$220,513 | 158,775,112 | \$22,245 | \$242,758 |
| 6 | 241,651 | \$138,886 | 127,991,757 | \$17,932 | \$156,818 |
| 7 | 177,510 | \$102,022 | 154,942,378 | \$21,708 | \$123,730 |
| 8 | 413,015 | \$237,376 | 666,136,969 | \$93,328 | \$330,704 |
| Total | 1,386,060 | \$798,122 | 1,156,350,398 | \$182,908 | \$958,630 |

Sources:

- (a) FY 2000 Other Air pounds (LR-J-96, p. 13) * TYBR Volume (Attachment B, p.3) / Base Year Volume (Attachment A, p. 1)
- (b) FY 2000 Other Air average haul (LR-J-96, p. 13)
- (c) FY 2000 Commercial Air pounds (LR-J-96, p. 13) * TYBR Volume (Attachment B, p.3) / Base Year Volume (Attachment A, p. 1)
- (d) FY 2000 Commercial Air average haul (LR-J-96, p. 13)
- (f) Total for air transportation in Attachment E, p. 1(A), column (d) distributed on column (e).
- (h) Total for air transportation in Attachment E, p. 1(A), column (c) distributed on column (e).

Priority Mail
Development of Per-Pound Rate Elements
Test Year Before Rates

Attachment E
Page 2 of 3

(C) Surface Transportation Costs

Nondistance-Related

| Zone | Total Postage | Nondistance-Related |
|----------|---------------|---------------------|
| | Pounds (000) | Surface Costs (000) |
| | (a) | (b) |
| L, 1,2,3 | 910,009 | \$87,998 |
| 4 | 352,060 | \$34,044 |
| 5 | 427,535 | \$41,343 |
| 6 | 248,521 | \$24,032 |
| 7 | 196,627 | \$19,014 |
| 8 | 371,787 | \$35,952 |
| Total | 2,506,539 | \$242,383 |

Distance-Related

| Zone | Total Postage | Local Postage | Non-Local Postage | Air Postage | Surface Postage | Average Surface Haul | Total Surface Miles (000) | Distance-Related Surface Costs (000) |
|----------|---------------|---------------|-------------------|--------------|-----------------|----------------------|---------------------------|--------------------------------------|
| | Pounds (000) | Pounds (000) | Pounds (000) | Pounds (000) | Pounds (000) | (h) | (i) = (g) * (h) | (j) |
| L, 1,2,3 | 910,009 | 112,408 | 797,601 | 19,134 | 778,467 | 250 | 194,616,863 | \$156,615 |
| 4 | 352,060 | | 352,060 | 151,075 | 200,986 | 350 | 70,344,938 | \$56,609 |
| Total | 1,262,069 | | 1,149,661 | 170,208 | 979,453 | | 264,961,801 | \$213,224 |

Sources:

- (a) Attachment B, p. 5
- (b) Attachment E, p. 1(A), column (d) distributed on Attachment E, p. 2, column (a)
- (d) Total for Zones L, 1, 2, 3 in column (c) * Local share (12.35%) established in R90-1
- (f) Attachment E, p. 1 (B), column (e)
- (h) R97-1, PRC Lib. Ref. 12, p. 3
- (i) Attachment E, p. 1(A), column (c) distributed on Attachment E, p. 2, column (i)

Priority Mail
Development of Per-Pound Rate Elements
Test Year Before Rates

Attachment E
Page 3 of 3

(D) Total Transportation Costs + 2 Cents/Lb. For Nontransportation

| Zone | Total Nondistance- Related Air | Total Distance- Related Air | Total Nondistance- Related Surface | Total Distance- Related Surface | Total Transportation |
|--------------|-----------------------------------|--------------------------------|---------------------------------------|------------------------------------|-------------------------|
| | <u>Costs (\$000)</u> | <u>Costs (\$000)</u> | <u>Costs (\$000)</u> | <u>Costs (\$000)</u> | <u>Costs (\$000)</u> |
| | (a) | (b) | (c) | (d) | (e)=(a)+(b)+(c)+(d) |
| L, 1,2,3 | 10,997 | 364 | 87,998 | 156,615 | 255,974 |
| 4 | 86,828 | 6,432 | 34,044 | 56,609 | 183,914 |
| 5 | 220,513 | 22,245 | 41,343 | | 284,101 |
| 6 | 138,886 | 17,932 | 24,032 | | 180,850 |
| 7 | 102,022 | 21,708 | 19,014 | | 142,744 |
| 8 | 237,376 | 93,328 | 35,952 | | 366,655 |
| Total | 1,414,237 | | | | 1,414,237 |

| Zone | Total Transportation <u>Costs (\$000)</u> | Total Postage <u>Pounds (000)</u> | Transportation Cost per <u>Pound</u> | Nontransportation Cost per <u>Pound</u> | Total Cost per <u>Pound</u> |
|--------------|---|---|--|---|-----------------------------------|
| | (f) = (e) | (g) | (h) = (f) / (g) | (i) | (j) = (h) + (i) |
| | | | | | |
| L, 1,2,3 | 255,974 | 910,009 | \$0.281287 | \$0.02 | \$0.301287 |
| 4 | 183,914 | 352,060 | \$0.522392 | \$0.02 | \$0.542392 |
| 5 | 284,101 | 427,535 | \$0.664509 | \$0.02 | \$0.684509 |
| 6 | 180,850 | 248,521 | \$0.727706 | \$0.02 | \$0.747706 |
| 7 | 142,744 | 196,627 | \$0.725960 | \$0.02 | \$0.745960 |
| 8 | 366,655 | 371,787 | \$0.986198 | \$0.02 | \$1.006198 |
| Total | 1,414,237 | 2,506,539 | | | |

| Zone | Smoothed Cost per <u>Pound</u> | Total Cost per Pound | | Target Cost | Per-Pound Rate |
|----------|--------------------------------------|-------------------------|----------------------------|-----------------|-------------------|
| | | <u>Contingency</u> | <u>(Incl. Contingency)</u> | <u>Coverage</u> | <u>Element</u> |
| | (k) | (l) | (m) = (k) * [1+(l)] | (n) | (o) = (m) * (n) |
| L, 1,2,3 | \$0.301287 | 3.0% | \$0.310326 | 171.2% | \$0.531340 |
| 4 | \$0.542392 | 3.0% | \$0.558664 | 171.2% | \$0.956545 |
| 5 | \$0.684509 | 3.0% | \$0.705044 | 171.2% | \$1.207177 |
| 6 | \$0.747706 | 3.0% | \$0.770138 | 171.2% | \$1.318630 |
| 7 | | 3.0% | \$0.903261 | 171.2% | \$1.546563 |
| 8 | \$1.006198 | 3.0% | \$1.036384 | 171.2% | \$1.774496 |

Sources:

- (a) Attachment E, p. 1 (B), column (f)
- (b) Attachment E, p. 1 (B), column (h)
- (c) Attachment E, p. 2, column (b)
- (d) Attachment E, p. 2, column (j)
- (g) Attachment E, p. 2, column (a)
- (l) R97-1, PRC Lib. Ref. 12, p. 2
- (k) = (j), except for Zone 7, where (k) = [(j), Zone 6] + [(j), Zone 8] / 2
- (l) USPS-T-6
- (n) Rate design assumption

Priority Mail
Allocated Unit Costs Including Contingency

Attachment F
 Page 1 of 17

| | |
|----------------|---|
| Cost per Piece | \$ 1.811093 |
| Cost per Pound | \$ 0.310326 \$ 0.558664 \$ 0.705044 \$ 0.770138 \$ 0.903261 \$ 1.036384 |

Weight to:

| <u>(Pounds)</u> | <u>L.1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> |
|-----------------|--------------------|---------------|---------------|---------------|---------------|---------------|
| Flat Rate | \$ 2.0634 | \$ 2.2653 | \$ 2.3843 | \$ 2.4372 | \$ 2.5454 | \$ 2.6537 |
| 1 | \$ 2.0271 | \$ 2.2000 | \$ 2.3019 | \$ 2.3472 | \$ 2.4398 | \$ 2.5325 |
| 2 | \$ 2.2565 | \$ 2.6129 | \$ 2.8230 | \$ 2.9165 | \$ 3.1075 | \$ 3.2986 |
| 3 | \$ 2.7421 | \$ 3.4871 | \$ 3.9262 | \$ 4.1215 | \$ 4.5209 | \$ 4.9202 |
| 4 | \$ 3.0524 | \$ 4.0458 | \$ 4.6313 | \$ 4.8916 | \$ 5.4241 | \$ 5.9566 |
| 5 | \$ 3.3627 | \$ 4.6044 | \$ 5.3363 | \$ 5.6618 | \$ 6.3274 | \$ 6.9930 |
| 6 | \$ 3.6730 | \$ 5.1631 | \$ 6.0414 | \$ 6.4319 | \$ 7.2307 | \$ 8.0294 |
| 7 | \$ 3.9834 | \$ 5.7217 | \$ 6.7464 | \$ 7.2021 | \$ 8.1339 | \$ 9.0658 |
| 8 | \$ 4.2937 | \$ 6.2804 | \$ 7.4514 | \$ 7.9722 | \$ 9.0372 | \$ 10.1022 |
| 9 | \$ 4.6040 | \$ 6.8391 | \$ 8.1565 | \$ 8.7423 | \$ 9.9404 | \$ 11.1385 |
| 10 | \$ 4.9143 | \$ 7.3977 | \$ 8.8615 | \$ 9.5125 | \$ 10.8437 | \$ 12.1749 |
| 11 | \$ 5.2247 | \$ 7.9564 | \$ 9.5666 | \$ 10.2826 | \$ 11.7470 | \$ 13.2113 |
| 12 | \$ 5.5350 | \$ 8.5151 | \$ 10.2716 | \$ 11.0527 | \$ 12.6502 | \$ 14.2477 |
| 13 | \$ 5.8453 | \$ 9.0737 | \$ 10.9767 | \$ 11.8229 | \$ 13.5535 | \$ 15.2841 |
| 14 | \$ 6.1557 | \$ 9.6324 | \$ 11.6817 | \$ 12.5930 | \$ 14.4567 | \$ 16.3205 |
| 15 | \$ 6.4660 | \$ 10.1911 | \$ 12.3868 | \$ 13.3632 | \$ 15.3600 | \$ 17.3568 |
| 16 | \$ 6.7763 | \$ 10.7497 | \$ 13.0918 | \$ 14.1333 | \$ 16.2633 | \$ 18.3932 |
| 17 | \$ 7.0866 | \$ 11.3084 | \$ 13.7968 | \$ 14.9034 | \$ 17.1665 | \$ 19.4296 |
| 18 | \$ 7.3970 | \$ 11.8670 | \$ 14.5019 | \$ 15.6736 | \$ 18.0698 | \$ 20.4660 |
| 19 | \$ 7.7073 | \$ 12.4257 | \$ 15.2069 | \$ 16.4437 | \$ 18.9730 | \$ 21.5024 |
| 20 | \$ 8.0176 | \$ 12.9844 | \$ 15.9120 | \$ 17.2138 | \$ 19.8763 | \$ 22.5388 |
| 21 | \$ 8.3279 | \$ 13.5430 | \$ 16.6170 | \$ 17.9840 | \$ 20.7796 | \$ 23.5752 |
| 22 | \$ 8.6383 | \$ 14.1017 | \$ 17.3221 | \$ 18.7541 | \$ 21.6828 | \$ 24.6115 |
| 23 | \$ 8.9486 | \$ 14.6604 | \$ 18.0271 | \$ 19.5243 | \$ 22.5861 | \$ 25.6479 |
| 24 | \$ 9.2589 | \$ 15.2190 | \$ 18.7322 | \$ 20.2944 | \$ 23.4894 | \$ 26.6843 |
| 25 | \$ 9.5692 | \$ 15.7777 | \$ 19.4372 | \$ 21.0645 | \$ 24.3926 | \$ 27.7207 |
| 26 | \$ 9.8796 | \$ 16.3364 | \$ 20.1422 | \$ 21.8347 | \$ 25.2959 | \$ 28.7571 |
| 27 | \$ 10.1899 | \$ 16.8950 | \$ 20.8473 | \$ 22.6048 | \$ 26.1991 | \$ 29.7935 |
| 28 | \$ 10.5002 | \$ 17.4537 | \$ 21.5523 | \$ 23.3749 | \$ 27.1024 | \$ 30.8298 |
| 29 | \$ 10.8105 | \$ 18.0124 | \$ 22.2574 | \$ 24.1451 | \$ 28.0057 | \$ 31.8662 |
| 30 | \$ 11.1209 | \$ 18.5710 | \$ 22.9624 | \$ 24.9152 | \$ 28.9089 | \$ 32.9026 |
| 31 | \$ 11.4312 | \$ 19.1297 | \$ 23.6675 | \$ 25.6854 | \$ 29.8122 | \$ 33.9390 |
| 32 | \$ 11.7415 | \$ 19.6883 | \$ 24.3725 | \$ 26.4555 | \$ 30.7154 | \$ 34.9754 |
| 33 | \$ 12.0518 | \$ 20.2470 | \$ 25.0776 | \$ 27.2256 | \$ 31.6187 | \$ 36.0118 |
| 34 | \$ 12.3622 | \$ 20.8057 | \$ 25.7826 | \$ 27.9958 | \$ 32.5220 | \$ 37.0481 |
| 35 | \$ 12.6725 | \$ 21.3643 | \$ 26.4876 | \$ 28.7659 | \$ 33.4252 | \$ 38.0845 |
| 36 | \$ 12.9828 | \$ 21.9230 | \$ 27.1927 | \$ 29.5360 | \$ 34.3285 | \$ 39.1209 |
| 37 | \$ 13.2931 | \$ 22.4817 | \$ 27.8977 | \$ 30.3062 | \$ 35.2317 | \$ 40.1573 |
| 38 | \$ 13.6035 | \$ 23.0403 | \$ 28.6028 | \$ 31.0763 | \$ 36.1350 | \$ 41.1937 |
| 39 | \$ 13.9138 | \$ 23.5990 | \$ 29.3078 | \$ 31.8465 | \$ 37.0383 | \$ 42.2301 |
| 40 | \$ 14.2241 | \$ 24.1577 | \$ 30.0129 | \$ 32.6166 | \$ 37.9415 | \$ 43.2664 |
| 41 | \$ 14.5344 | \$ 24.7163 | \$ 30.7179 | \$ 33.3867 | \$ 38.8448 | \$ 44.3028 |
| 42 | \$ 14.8448 | \$ 25.2750 | \$ 31.4230 | \$ 34.1569 | \$ 39.7480 | \$ 45.3392 |

Priority Mail
Allocated Unit Costs Including Contingency

Attachment F
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| | | | | | | | | | | | | |
|----------------|----|----------|----|----------|----|----------|----|----------|----|----------|----|----------|
| Cost per Piece | \$ | 1.811093 | | | | | | | | | | |
| Cost per Pound | \$ | 0.310326 | \$ | 0.558664 | \$ | 0.705044 | \$ | 0.770138 | \$ | 0.903261 | \$ | 1.036384 |

Weight to:

| (Pounds) | <u>L.1.2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> |
|----------|--------------------|---------------|---------------|---------------|---------------|---------------|
| 43 | \$ 15.1551 | \$ 25.8337 | \$ 32.1280 | \$ 34.9270 | \$ 40.6513 | \$ 46.3756 |
| 44 | \$ 15.4654 | \$ 26.3923 | \$ 32.8330 | \$ 35.6972 | \$ 41.5546 | \$ 47.4120 |
| 45 | \$ 15.7757 | \$ 26.9510 | \$ 33.5381 | \$ 36.4673 | \$ 42.4578 | \$ 48.4484 |
| 46 | \$ 16.0861 | \$ 27.5096 | \$ 34.2431 | \$ 37.2374 | \$ 43.3611 | \$ 49.4847 |
| 47 | \$ 16.3964 | \$ 28.0683 | \$ 34.9482 | \$ 38.0076 | \$ 44.2643 | \$ 50.5211 |
| 48 | \$ 16.7067 | \$ 28.6270 | \$ 35.6532 | \$ 38.7777 | \$ 45.1676 | \$ 51.5575 |
| 49 | \$ 17.0170 | \$ 29.1856 | \$ 36.3583 | \$ 39.5478 | \$ 46.0709 | \$ 52.5939 |
| 50 | \$ 17.3274 | \$ 29.7443 | \$ 37.0633 | \$ 40.3180 | \$ 46.9741 | \$ 53.6303 |
| 51 | \$ 17.6377 | \$ 30.3030 | \$ 37.7684 | \$ 41.0881 | \$ 47.8774 | \$ 54.6667 |
| 52 | \$ 17.9480 | \$ 30.8616 | \$ 38.4734 | \$ 41.8583 | \$ 48.7806 | \$ 55.7030 |
| 53 | \$ 18.2584 | \$ 31.4203 | \$ 39.1784 | \$ 42.6284 | \$ 49.6839 | \$ 56.7394 |
| 54 | \$ 18.5687 | \$ 31.9790 | \$ 39.8835 | \$ 43.3985 | \$ 50.5872 | \$ 57.7758 |
| 55 | \$ 18.8790 | \$ 32.5376 | \$ 40.5885 | \$ 44.1687 | \$ 51.4904 | \$ 58.8122 |
| 56 | \$ 19.1893 | \$ 33.0963 | \$ 41.2936 | \$ 44.9388 | \$ 52.3937 | \$ 59.8486 |
| 57 | \$ 19.4997 | \$ 33.6550 | \$ 41.9986 | \$ 45.7089 | \$ 53.2970 | \$ 60.8850 |
| 58 | \$ 19.8100 | \$ 34.2136 | \$ 42.7037 | \$ 46.4791 | \$ 54.2002 | \$ 61.9213 |
| 59 | \$ 20.1203 | \$ 34.7723 | \$ 43.4087 | \$ 47.2492 | \$ 55.1035 | \$ 62.9577 |
| 60 | \$ 20.4306 | \$ 35.3309 | \$ 44.1138 | \$ 48.0194 | \$ 56.0067 | \$ 63.9941 |
| 61 | \$ 20.7410 | \$ 35.8896 | \$ 44.8188 | \$ 48.7895 | \$ 56.9100 | \$ 65.0305 |
| 62 | \$ 21.0513 | \$ 36.4483 | \$ 45.5238 | \$ 49.5596 | \$ 57.8133 | \$ 66.0669 |
| 63 | \$ 21.3616 | \$ 37.0069 | \$ 46.2289 | \$ 50.3298 | \$ 58.7165 | \$ 67.1033 |
| 64 | \$ 21.6719 | \$ 37.5656 | \$ 46.9339 | \$ 51.0999 | \$ 59.6198 | \$ 68.1397 |
| 65 | \$ 21.9823 | \$ 38.1243 | \$ 47.6390 | \$ 51.8700 | \$ 60.5230 | \$ 69.1760 |
| 66 | \$ 22.2926 | \$ 38.6829 | \$ 48.3440 | \$ 52.6402 | \$ 61.4263 | \$ 70.2124 |
| 67 | \$ 22.6029 | \$ 39.2416 | \$ 49.0491 | \$ 53.4103 | \$ 62.3296 | \$ 71.2488 |
| 68 | \$ 22.9132 | \$ 39.8003 | \$ 49.7541 | \$ 54.1805 | \$ 63.2328 | \$ 72.2852 |
| 69 | \$ 23.2236 | \$ 40.3589 | \$ 50.4592 | \$ 54.9506 | \$ 64.1361 | \$ 73.3216 |
| 70 | \$ 23.5339 | \$ 40.9176 | \$ 51.1642 | \$ 55.7207 | \$ 65.0393 | \$ 74.3580 |

Sources:

By rate cell, (cost per piece) + (cost per pound * postage weight), where

-- the cost per piece is from Attachment D, row (m)

-- the cost per pound is from Attachment E, p. 3, column (m)

-- postage weight is from Attachment C, p. 6

Priority Mail
Preliminary Rates (Allocated Rate Elements)

Attachment F
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Per-Piece Element \$ 3.100954

Per-Pound Element \$ 0.531340 \$ 0.956545 \$ 1.207177 \$ 1.318630 \$ 1.546563 \$ 1.774496

Weight to:

| <u>(Pounds)</u> | <u>L, 1, 2 & 3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> |
|-----------------|------------------------|---------------|---------------|---------------|---------------|---------------|
| Flat Rate | \$ 3.53 | \$ 3.88 | \$ 4.08 | \$ 4.17 | \$ 4.36 | \$ 4.54 |
| 1 | \$ 3.47 | \$ 3.77 | \$ 3.94 | \$ 4.02 | \$ 4.18 | \$ 4.34 |
| 2 | \$ 3.86 | \$ 4.47 | \$ 4.83 | \$ 4.99 | \$ 5.32 | \$ 5.65 |
| 3 | \$ 4.69 | \$ 5.97 | \$ 6.72 | \$ 7.06 | \$ 7.74 | \$ 8.42 |
| 4 | \$ 5.23 | \$ 6.93 | \$ 7.93 | \$ 8.38 | \$ 9.29 | \$ 10.20 |
| 5 | \$ 5.76 | \$ 7.88 | \$ 9.14 | \$ 9.69 | \$ 10.83 | \$ 11.97 |
| 6 | \$ 6.29 | \$ 8.84 | \$ 10.34 | \$ 11.01 | \$ 12.38 | \$ 13.75 |
| 7 | \$ 6.82 | \$ 9.80 | \$ 11.55 | \$ 12.33 | \$ 13.93 | \$ 15.52 |
| 8 | \$ 7.35 | \$ 10.75 | \$ 12.76 | \$ 13.65 | \$ 15.47 | \$ 17.30 |
| 9 | \$ 7.88 | \$ 11.71 | \$ 13.97 | \$ 14.97 | \$ 17.02 | \$ 19.07 |
| 10 | \$ 8.41 | \$ 12.67 | \$ 15.17 | \$ 16.29 | \$ 18.57 | \$ 20.85 |
| 11 | \$ 8.95 | \$ 13.62 | \$ 16.38 | \$ 17.61 | \$ 20.11 | \$ 22.62 |
| 12 | \$ 9.48 | \$ 14.58 | \$ 17.59 | \$ 18.92 | \$ 21.66 | \$ 24.39 |
| 13 | \$ 10.01 | \$ 15.54 | \$ 18.79 | \$ 20.24 | \$ 23.21 | \$ 26.17 |
| 14 | \$ 10.54 | \$ 16.49 | \$ 20.00 | \$ 21.56 | \$ 24.75 | \$ 27.94 |
| 15 | \$ 11.07 | \$ 17.45 | \$ 21.21 | \$ 22.88 | \$ 26.30 | \$ 29.72 |
| 16 | \$ 11.60 | \$ 18.41 | \$ 22.42 | \$ 24.20 | \$ 27.85 | \$ 31.49 |
| 17 | \$ 12.13 | \$ 19.36 | \$ 23.62 | \$ 25.52 | \$ 29.39 | \$ 33.27 |
| 18 | \$ 12.67 | \$ 20.32 | \$ 24.83 | \$ 26.84 | \$ 30.94 | \$ 35.04 |
| 19 | \$ 13.20 | \$ 21.28 | \$ 26.04 | \$ 28.15 | \$ 32.49 | \$ 36.82 |
| 20 | \$ 13.73 | \$ 22.23 | \$ 27.24 | \$ 29.47 | \$ 34.03 | \$ 38.59 |
| 21 | \$ 14.26 | \$ 23.19 | \$ 28.45 | \$ 30.79 | \$ 35.58 | \$ 40.37 |
| 22 | \$ 14.79 | \$ 24.14 | \$ 29.66 | \$ 32.11 | \$ 37.13 | \$ 42.14 |
| 23 | \$ 15.32 | \$ 25.10 | \$ 30.87 | \$ 33.43 | \$ 38.67 | \$ 43.91 |
| 24 | \$ 15.85 | \$ 26.06 | \$ 32.07 | \$ 34.75 | \$ 40.22 | \$ 45.69 |
| 25 | \$ 16.38 | \$ 27.01 | \$ 33.28 | \$ 36.07 | \$ 41.77 | \$ 47.46 |
| 26 | \$ 16.92 | \$ 27.97 | \$ 34.49 | \$ 37.39 | \$ 43.31 | \$ 49.24 |
| 27 | \$ 17.45 | \$ 28.93 | \$ 35.69 | \$ 38.70 | \$ 44.86 | \$ 51.01 |
| 28 | \$ 17.98 | \$ 29.88 | \$ 36.90 | \$ 40.02 | \$ 46.40 | \$ 52.79 |
| 29 | \$ 18.51 | \$ 30.84 | \$ 38.11 | \$ 41.34 | \$ 47.95 | \$ 54.56 |
| 30 | \$ 19.04 | \$ 31.80 | \$ 39.32 | \$ 42.66 | \$ 49.50 | \$ 56.34 |
| 31 | \$ 19.57 | \$ 32.75 | \$ 40.52 | \$ 43.98 | \$ 51.04 | \$ 58.11 |
| 32 | \$ 20.10 | \$ 33.71 | \$ 41.73 | \$ 45.30 | \$ 52.59 | \$ 59.88 |
| 33 | \$ 20.64 | \$ 34.67 | \$ 42.94 | \$ 46.62 | \$ 54.14 | \$ 61.66 |
| 34 | \$ 21.17 | \$ 35.62 | \$ 44.14 | \$ 47.93 | \$ 55.68 | \$ 63.43 |
| 35 | \$ 21.70 | \$ 36.58 | \$ 45.35 | \$ 49.25 | \$ 57.23 | \$ 65.21 |
| 36 | \$ 22.23 | \$ 37.54 | \$ 46.56 | \$ 50.57 | \$ 58.78 | \$ 66.98 |
| 37 | \$ 22.76 | \$ 38.49 | \$ 47.77 | \$ 51.89 | \$ 60.32 | \$ 68.76 |
| 38 | \$ 23.29 | \$ 39.45 | \$ 48.97 | \$ 53.21 | \$ 61.87 | \$ 70.53 |
| 39 | \$ 23.82 | \$ 40.41 | \$ 50.18 | \$ 54.53 | \$ 63.42 | \$ 72.31 |
| 40 | \$ 24.35 | \$ 41.36 | \$ 51.39 | \$ 55.85 | \$ 64.96 | \$ 74.08 |
| 41 | \$ 24.89 | \$ 42.32 | \$ 52.60 | \$ 57.16 | \$ 66.51 | \$ 75.86 |
| 42 | \$ 25.42 | \$ 43.28 | \$ 53.80 | \$ 58.48 | \$ 68.06 | \$ 77.63 |

Priority Mail
Preliminary Rates (Allocated Rate Elements)

Attachment F
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Per-Piece Element \$ 3.100954

Per-Pound Element \$ 0.531340 \$ 0.956545 \$ 1.207177 \$ 1.318630 \$ 1.546563 \$ 1.774496

Weight to:

| (Pounds) | <u>L,1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> |
|----------|--------------------|---------------|---------------|---------------|---------------|---------------|
| 43 | \$ 25.95 | \$ 44.23 | \$ 55.01 | \$ 59.80 | \$ 69.60 | \$ 79.40 |
| 44 | \$ 26.48 | \$ 45.19 | \$ 56.22 | \$ 61.12 | \$ 71.15 | \$ 81.18 |
| 45 | \$ 27.01 | \$ 46.15 | \$ 57.42 | \$ 62.44 | \$ 72.70 | \$ 82.95 |
| 46 | \$ 27.54 | \$ 47.10 | \$ 58.63 | \$ 63.76 | \$ 74.24 | \$ 84.73 |
| 47 | \$ 28.07 | \$ 48.06 | \$ 59.84 | \$ 65.08 | \$ 75.79 | \$ 86.50 |
| 48 | \$ 28.61 | \$ 49.02 | \$ 61.05 | \$ 66.40 | \$ 77.34 | \$ 88.28 |
| 49 | \$ 29.14 | \$ 49.97 | \$ 62.25 | \$ 67.71 | \$ 78.88 | \$ 90.05 |
| 50 | \$ 29.67 | \$ 50.93 | \$ 63.46 | \$ 69.03 | \$ 80.43 | \$ 91.83 |
| 51 | \$ 30.20 | \$ 51.88 | \$ 64.67 | \$ 70.35 | \$ 81.98 | \$ 93.60 |
| 52 | \$ 30.73 | \$ 52.84 | \$ 65.87 | \$ 71.67 | \$ 83.52 | \$ 95.37 |
| 53 | \$ 31.26 | \$ 53.80 | \$ 67.08 | \$ 72.99 | \$ 85.07 | \$ 97.15 |
| 54 | \$ 31.79 | \$ 54.75 | \$ 68.29 | \$ 74.31 | \$ 86.62 | \$ 98.92 |
| 55 | \$ 32.32 | \$ 55.71 | \$ 69.50 | \$ 75.63 | \$ 88.16 | \$ 100.70 |
| 56 | \$ 32.86 | \$ 56.67 | \$ 70.70 | \$ 76.94 | \$ 89.71 | \$ 102.47 |
| 57 | \$ 33.39 | \$ 57.62 | \$ 71.91 | \$ 78.26 | \$ 91.26 | \$ 104.25 |
| 58 | \$ 33.92 | \$ 58.58 | \$ 73.12 | \$ 79.58 | \$ 92.80 | \$ 106.02 |
| 59 | \$ 34.45 | \$ 59.54 | \$ 74.32 | \$ 80.90 | \$ 94.35 | \$ 107.80 |
| 60 | \$ 34.98 | \$ 60.49 | \$ 75.53 | \$ 82.22 | \$ 95.89 | \$ 109.57 |
| 61 | \$ 35.51 | \$ 61.45 | \$ 76.74 | \$ 83.54 | \$ 97.44 | \$ 111.35 |
| 62 | \$ 36.04 | \$ 62.41 | \$ 77.95 | \$ 84.86 | \$ 98.99 | \$ 113.12 |
| 63 | \$ 36.58 | \$ 63.36 | \$ 79.15 | \$ 86.17 | \$ 100.53 | \$ 114.89 |
| 64 | \$ 37.11 | \$ 64.32 | \$ 80.36 | \$ 87.49 | \$ 102.08 | \$ 116.67 |
| 65 | \$ 37.64 | \$ 65.28 | \$ 81.57 | \$ 88.81 | \$ 103.63 | \$ 118.44 |
| 66 | \$ 38.17 | \$ 66.23 | \$ 82.77 | \$ 90.13 | \$ 105.17 | \$ 120.22 |
| 67 | \$ 38.70 | \$ 67.19 | \$ 83.98 | \$ 91.45 | \$ 106.72 | \$ 121.99 |
| 68 | \$ 39.23 | \$ 68.15 | \$ 85.19 | \$ 92.77 | \$ 108.27 | \$ 123.77 |
| 69 | \$ 39.76 | \$ 69.10 | \$ 86.40 | \$ 94.09 | \$ 109.81 | \$ 125.54 |
| 70 | \$ 40.29 | \$ 70.06 | \$ 87.60 | \$ 95.41 | \$ 111.36 | \$ 127.32 |

Sources:

By rate cell, (rate element per piece) + (rate element per pound * postage weight), where

-- the rate element per piece is from Attachment D, row (n)

-- the rate element per pound is from Attachment E, p. 3, column (o)

-- postage weight is from Attachment C, p. 6

**Priority Mail
Preliminary Volumes**

Attachment F
Page 3 of 17

Weight to:

| <u>(Pounds)</u> | <u>L,1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|-----------------|--------------------|---------------|---------------|---------------|---------------|---------------|--------------|
| Flat Rate | 65,767,474 | 20,893,962 | 23,612,280 | 14,269,118 | 9,549,916 | 17,705,483 | 151,798,234 |
| 1 | 152,504,451 | 46,780,183 | 54,116,820 | 30,061,843 | 21,920,187 | 40,452,447 | 345,835,931 |
| 2 | 163,669,598 | 55,226,386 | 61,862,222 | 33,441,826 | 25,202,810 | 44,322,326 | 383,725,167 |
| 3 | 52,699,566 | 21,874,717 | 24,284,732 | 13,822,602 | 10,891,552 | 19,532,772 | 143,105,943 |
| 4 | 20,783,251 | 9,044,764 | 11,328,154 | 6,244,805 | 4,888,014 | 9,099,488 | 61,388,477 |
| 5 | 9,887,338 | 4,383,186 | 6,001,665 | 3,305,894 | 2,595,474 | 5,027,138 | 31,200,695 |
| 6 | 5,307,918 | 2,334,379 | 3,424,764 | 1,969,785 | 1,565,477 | 2,854,905 | 17,457,227 |
| 7 | 3,441,041 | 1,541,642 | 2,221,081 | 1,214,938 | 937,725 | 1,973,115 | 11,329,543 |
| 8 | 2,256,193 | 980,590 | 1,428,519 | 954,749 | 783,501 | 1,465,370 | 7,868,922 |
| 9 | 1,423,762 | 723,747 | 939,602 | 656,972 | 458,331 | 1,025,954 | 5,228,368 |
| 10 | 956,793 | 504,656 | 736,811 | 511,569 | 395,531 | 770,547 | 3,875,907 |
| 11 | 828,245 | 362,576 | 527,953 | 364,055 | 275,797 | 617,138 | 2,975,765 |
| 12 | 584,128 | 344,284 | 404,382 | 285,228 | 296,365 | 417,820 | 2,332,209 |
| 13 | 456,068 | 213,832 | 356,548 | 187,654 | 196,835 | 333,860 | 1,744,798 |
| 14 | 312,538 | 155,170 | 221,905 | 182,156 | 135,292 | 257,195 | 1,264,256 |
| 15 | 330,201 | 144,314 | 187,172 | 148,483 | 136,402 | 240,745 | 1,187,318 |
| 16 | 178,396 | 83,122 | 175,604 | 83,649 | 87,617 | 208,001 | 816,388 |
| 17 | 168,672 | 97,725 | 123,935 | 91,188 | 75,436 | 177,497 | 734,453 |
| 18 | 135,251 | 58,595 | 82,079 | 56,807 | 70,129 | 147,757 | 550,619 |
| 19 | 93,429 | 84,256 | 71,781 | 52,252 | 50,263 | 168,943 | 520,924 |
| 20 | 115,747 | 48,085 | 72,759 | 49,954 | 74,844 | 67,749 | 429,138 |
| 21 | 110,690 | 41,608 | 53,711 | 31,952 | 49,082 | 83,356 | 370,397 |
| 22 | 86,718 | 54,061 | 56,806 | 58,570 | 29,412 | 76,562 | 362,129 |
| 23 | 68,612 | 50,560 | 29,017 | 45,198 | 34,674 | 70,681 | 298,741 |
| 24 | 74,266 | 41,050 | 43,603 | 27,735 | 25,748 | 59,350 | 271,752 |
| 25 | 41,092 | 26,500 | 25,899 | 27,784 | 16,660 | 72,213 | 210,147 |
| 26 | 49,186 | 26,032 | 25,510 | 14,408 | 13,992 | 48,547 | 177,675 |
| 27 | 48,762 | 14,548 | 26,929 | 15,639 | 12,915 | 40,664 | 159,457 |
| 28 | 33,434 | 12,906 | 19,351 | 25,996 | 8,405 | 42,574 | 142,667 |
| 29 | 17,810 | 14,968 | 15,833 | 4,733 | 15,500 | 25,246 | 94,090 |
| 30 | 48,135 | 32,990 | 28,024 | 12,937 | 29,146 | 27,721 | 178,951 |
| 31 | 52,032 | 6,374 | 7,690 | 7,679 | 6,531 | 30,080 | 110,386 |
| 32 | 22,473 | 16,832 | 6,547 | 17,040 | 6,935 | 23,430 | 93,257 |
| 33 | 27,784 | 11,947 | 6,327 | 6,498 | 5,628 | 21,268 | 79,450 |
| 34 | 24,865 | 8,779 | 3,068 | 13,723 | 6,440 | 18,037 | 74,912 |
| 35 | 29,055 | 22,583 | 5,011 | 8,042 | 7,257 | 24,947 | 96,895 |
| 36 | 20,229 | 1,451 | 9,499 | 10,058 | 5,863 | 21,110 | 68,210 |
| 37 | 9,781 | 1,723 | 2,778 | 5,108 | 4,629 | 14,022 | 38,041 |
| 38 | 12,526 | 3,703 | 5,496 | 4,007 | 35,769 | 8,069 | 69,570 |
| 39 | 7,297 | 5,314 | 2,210 | 6,303 | 5,757 | 20,645 | 47,527 |
| 40 | 6,650 | 5,981 | 3,386 | 1,936 | 6,644 | 10,824 | 35,421 |
| 41 | 14,013 | 6,537 | 6,522 | 3,465 | 1,968 | 17,586 | 50,091 |
| 42 | 4,681 | 2,741 | 1,907 | 1,339 | 3,054 | 3,867 | 17,589 |
| 43 | 3,718 | 4,066 | 5,874 | 1,588 | 2,693 | 9,629 | 27,568 |
| 44 | 8,897 | 2,576 | 2,450 | 1,243 | 4,290 | 6,913 | 26,369 |

Priority Mail
Preliminary Volumes

Attachment F
 Page 3 of 17

Weight to:

| <u>(Pounds)</u> | <u>L 1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|-----------------|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 45 | 2,949 | 538 | 4,401 | 1,056 | 2,021 | 20,945 | 31,909 |
| 46 | 3,017 | 3,124 | 2,724 | 1,471 | 4,645 | 12,242 | 27,224 |
| 47 | 1,631 | 858 | 2,316 | 1,463 | 2,652 | 4,525 | 13,445 |
| 48 | 1,608 | 717 | 1,962 | 528 | 939 | 2,630 | 8,384 |
| 49 | 686 | 502 | 3,275 | 2,331 | 1,330 | 7,891 | 16,013 |
| 50 | 3,126 | 3,392 | 482 | 3,766 | 1,151 | 3,472 | 15,389 |
| 51 | 1,406 | - | 3,605 | 392 | 333 | 2,167 | 7,903 |
| 52 | 1,786 | 306 | 8,393 | - | 24 | 4,220 | 14,731 |
| 53 | 3,229 | 1,629 | 515 | 359 | 1,170 | 2,396 | 9,298 |
| 54 | 1,900 | 367 | 4,906 | 224 | 101 | 6,461 | 13,960 |
| 55 | 1,597 | 181 | 857 | 464 | 501 | 4,759 | 8,360 |
| 56 | 1,753 | 640 | 826 | 1,030 | 280 | 9,156 | 13,685 |
| 57 | 5,242 | 955 | - | 276 | 1,073 | 2,205 | 9,751 |
| 58 | 904 | 1,302 | 1,296 | 552 | 283 | 2,569 | 6,905 |
| 59 | 1,102 | - | - | 1,238 | 338 | - | 2,678 |
| 60 | 1,623 | 194 | 21,523 | 2,422 | 268 | 1,634 | 27,664 |
| 61 | 415 | 752 | 6,356 | 3,335 | - | 2,677 | 13,535 |
| 62 | 406 | - | 251 | 69 | - | 202 | 928 |
| 63 | 58 | 1,395 | - | - | 690 | 316 | 2,459 |
| 64 | 216 | - | 191 | 211 | 213 | - | 831 |
| 65 | 381 | 925 | - | - | 213 | 1,366 | 2,885 |
| 66 | 144 | 857 | 169 | 253 | 213 | - | 1,636 |
| 67 | 1,626 | - | - | 211 | - | 301 | 2,138 |
| 68 | 50 | - | - | 771 | 388 | 31 | 1,239 |
| 69 | - | - | 1,435 | 716 | 527 | - | 2,678 |
| 70 | - | - | - | 1,528 | - | 269 | 1,797 |
| Total | 485,752,856 | 165,600,157 | 192,126,487 | 107,231,327 | 80,682,193 | 147,335,980 | 1,178,729,000 |

Sources: Rate design assumption of 1,178,729,000 total pieces distributed by Attachment C, p. 4

**Priority Mail
Preliminary Revenues**

Attachment F
Page 4 of 17

Weight to:

| <u>(Pounds)</u> | <u>L,1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|-----------------|--------------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Flat Rate | \$ 232,351,489 | \$ 81,039,498 | \$ 96,394,018 | \$ 59,544,706 | \$ 41,621,237 | \$ 80,446,429 | \$ 591,397,377 |
| 1 | 529,313,162 | 176,210,567 | 213,287,159 | 120,812,987 | 91,570,989 | 175,407,103 | 1,306,601,968 |
| 2 | 632,350,399 | 247,075,691 | 299,017,201 | 166,993,967 | 134,096,986 | 250,326,519 | 1,729,860,764 |
| 3 | 247,423,035 | 130,604,936 | 163,253,756 | 97,543,939 | 84,307,621 | 164,552,724 | 887,686,011 |
| 4 | 108,619,766 | 62,654,286 | 89,828,434 | 52,303,200 | 45,395,996 | 92,805,120 | 451,606,802 |
| 5 | 56,927,850 | 34,555,628 | 54,836,250 | 32,047,677 | 28,118,766 | 60,192,106 | 266,678,277 |
| 6 | 33,381,452 | 20,636,430 | 35,425,812 | 21,692,714 | 19,381,123 | 39,249,034 | 169,766,564 |
| 7 | 23,469,039 | 15,103,111 | 25,656,138 | 14,981,843 | 13,059,593 | 30,627,538 | 122,897,262 |
| 8 | 16,586,787 | 10,544,590 | 18,225,573 | 13,032,318 | 12,123,477 | 25,346,387 | 95,859,132 |
| 9 | 11,223,527 | 8,474,977 | 13,122,054 | 9,833,965 | 7,800,807 | 19,566,405 | 70,021,736 |
| 10 | 8,050,789 | 6,392,174 | 11,179,435 | 8,332,060 | 7,343,659 | 16,062,759 | 57,360,877 |
| 11 | 7,409,225 | 4,939,357 | 8,647,817 | 6,409,503 | 5,547,150 | 13,959,923 | 46,912,975 |
| 12 | 5,535,801 | 5,019,491 | 7,111,904 | 5,397,808 | 6,419,180 | 10,192,684 | 39,676,869 |
| 13 | 4,564,501 | 3,322,106 | 6,701,057 | 3,798,896 | 4,567,817 | 8,736,922 | 31,691,099 |
| 14 | 3,294,056 | 2,559,160 | 4,438,412 | 3,927,608 | 3,348,853 | 7,187,043 | 24,755,133 |
| 15 | 3,655,667 | 2,518,160 | 3,969,652 | 3,397,361 | 3,587,298 | 7,154,569 | 24,282,707 |
| 16 | 2,069,816 | 1,529,911 | 3,936,309 | 2,024,235 | 2,439,768 | 6,550,542 | 18,550,581 |
| 17 | 2,046,624 | 1,892,178 | 2,927,703 | 2,326,902 | 2,217,269 | 5,904,856 | 17,315,532 |
| 18 | 1,712,962 | 1,190,585 | 2,038,024 | 1,524,496 | 2,169,738 | 5,177,691 | 13,813,495 |
| 19 | 1,232,927 | 1,792,579 | 1,868,983 | 1,471,141 | 1,632,813 | 6,219,881 | 14,218,323 |
| 20 | 1,588,943 | 1,069,022 | 1,982,294 | 1,472,324 | 2,547,095 | 2,614,505 | 11,274,184 |
| 21 | 1,578,342 | 964,811 | 1,528,155 | 983,865 | 1,746,269 | 3,364,679 | 10,166,121 |
| 22 | 1,282,598 | 1,305,310 | 1,684,792 | 1,880,719 | 1,091,946 | 3,226,298 | 10,471,663 |
| 23 | 1,051,255 | 1,269,128 | 895,627 | 1,510,932 | 1,340,907 | 3,103,921 | 9,171,771 |
| 24 | 1,177,339 | 1,069,681 | 1,398,499 | 963,738 | 1,035,551 | 2,711,643 | 8,356,452 |
| 25 | 673,268 | 715,893 | 861,913 | 1,002,078 | 695,795 | 3,427,474 | 7,376,420 |
| 26 | 832,015 | 728,135 | 879,774 | 538,653 | 606,033 | 2,390,356 | 5,974,967 |
| 27 | 850,758 | 420,850 | 961,228 | 605,302 | 579,323 | 2,074,363 | 5,491,824 |
| 28 | 601,100 | 385,693 | 714,105 | 1,040,435 | 390,016 | 2,247,325 | 5,378,674 |
| 29 | 329,666 | 461,620 | 603,365 | 195,862 | 743,250 | 1,377,474 | 3,711,037 |
| 30 | 916,538 | 1,048,995 | 1,101,796 | 551,878 | 1,442,641 | 1,561,659 | 6,623,508 |
| 31 | 1,018,387 | 208,777 | 311,637 | 337,721 | 333,368 | 1,747,936 | 3,957,825 |
| 32 | 451,784 | 567,412 | 273,199 | 771,855 | 364,721 | 1,403,131 | 3,832,102 |
| 33 | 573,325 | 414,151 | 271,650 | 302,888 | 304,682 | 1,311,357 | 3,178,053 |
| 34 | 526,315 | 312,728 | 135,452 | 657,786 | 358,618 | 1,144,138 | 3,135,037 |
| 35 | 630,428 | 826,081 | 227,266 | 396,110 | 415,298 | 1,626,736 | 4,121,919 |
| 36 | 449,678 | 54,469 | 442,285 | 508,846 | 344,599 | 1,414,000 | 3,213,678 |
| 37 | 222,615 | 66,342 | 132,684 | 265,042 | 279,227 | 964,147 | 1,930,056 |
| 38 | 291,744 | 146,073 | 269,160 | 213,233 | 2,213,067 | 569,101 | 3,702,378 |
| 39 | 173,845 | 214,737 | 110,920 | 343,664 | 365,094 | 1,492,749 | 2,701,009 |
| 40 | 161,959 | 247,377 | 174,004 | 108,129 | 431,619 | 801,879 | 1,924,967 |
| 41 | 348,723 | 276,632 | 343,044 | 198,104 | 130,890 | 1,333,970 | 2,631,363 |
| 42 | 118,981 | 118,616 | 102,607 | 78,304 | 207,833 | 300,217 | 926,558 |
| 43 | 96,472 | 179,854 | 323,104 | 94,989 | 187,473 | 764,562 | 1,646,454 |
| 44 | 235,581 | 116,415 | 137,738 | 75,958 | 305,267 | 561,196 | 1,432,155 |
| 45 | 79,651 | 24,812 | 252,708 | 65,911 | 146,955 | 1,737,458 | 2,307,494 |
| 46 | 83,088 | 147,155 | 159,736 | 93,810 | 344,836 | 1,037,266 | 1,865,891 |
| 47 | 45,798 | 41,228 | 138,597 | 95,202 | 200,970 | 391,424 | 913,217 |
| 48 | 45,994 | 35,149 | 119,801 | 35,052 | 72,616 | 232,173 | 540,786 |
| 49 | 19,975 | 25,084 | 203,855 | 157,828 | 104,891 | 710,568 | 1,222,200 |

Priority Mail
Preliminary Revenues

Attachment F
 Page 4 of 17

| Weight to: <u>(Pounds)</u> | <u>L1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|-------------------------------|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 50 | 92,748 | 172,762 | 30,582 | 259,950 | 92,550 | 318,828 | 967,420 |
| 51 | 42,461 | - | 233,153 | 27,552 | 27,269 | 202,837 | 533,272 |
| 52 | 54,897 | 16,188 | 552,894 | - | 2,042 | 402,494 | 1,028,515 |
| 53 | 100,942 | 87,657 | 34,525 | 28,200 | 99,571 | 232,736 | 581,631 |
| 54 | 60,413 | 20,094 | 335,044 | 16,655 | 8,763 | 639,164 | 1,080,133 |
| 55 | 51,628 | 10,107 | 59,562 | 35,107 | 44,174 | 479,243 | 679,821 |
| 56 | 57,589 | 36,276 | 58,416 | 79,238 | 25,111 | 938,240 | 1,194,870 |
| 57 | 175,024 | 55,056 | - | 21,593 | 97,882 | 229,890 | 579,444 |
| 58 | 30,659 | 76,283 | 94,737 | 43,913 | 26,286 | 272,331 | 544,208 |
| 59 | 37,959 | - | - | 100,181 | 31,876 | - | 170,016 |
| 60 | 56,774 | 11,729 | 1,625,670 | 199,146 | 25,687 | 179,016 | 2,098,022 |
| 61 | 14,722 | 46,202 | 487,723 | 278,618 | - | 298,101 | 1,125,365 |
| 62 | 14,646 | - | 19,532 | 5,896 | - | 22,815 | 62,888 |
| 63 | 2,128 | 88,404 | - | - | 69,340 | 36,341 | 196,213 |
| 64 | 7,997 | - | 15,374 | 18,449 | 21,766 | - | 63,586 |
| 65 | 14,323 | 60,399 | - | - | 22,096 | 161,745 | 258,563 |
| 66 | 5,495 | 56,766 | 13,979 | 22,769 | 22,426 | - | 121,434 |
| 67 | 62,911 | - | - | 19,283 | - | 36,733 | 118,927 |
| 68 | 1,953 | - | - | 71,479 | 41,977 | 3,810 | 119,219 |
| 69 | - | - | 123,960 | 67,375 | 57,891 | - | 249,226 |
| 70 | - | - | - | 145,772 | - | 34,237 | 180,009 |
| Total | 1,948,560,311 | 832,255,567 | 1,082,291,835 | 644,382,120 | 536,797,696 | 1,077,798,500 | 6,122,086,030 |

Sources: By rate cell, Attachment F, p. 2 * Attachment F, p. 3

Priority Mail
Preliminary Rates, With Mitigation of Heavier Weight Increments
(Step One)

Attachment F
Page 5 of 17

5% Percentage point allowable increase over average percent increase

Weight to:

| <u>(Pounds)</u> | <u>L,1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | |
|-----------------|--------------------|---------------|---------------|---------------|---------------|---------------|--|
| Flat Rate | \$ 3.53 | \$ 3.88 | \$ 4.08 | \$ 4.17 | \$ 4.36 | \$ 4.54 | |
| 1 | \$ 3.47 | \$ 3.77 | \$ 3.94 | \$ 4.02 | \$ 4.18 | \$ 4.34 | |
| 2 | \$ 3.86 | \$ 4.47 | \$ 4.83 | \$ 4.99 | \$ 5.32 | \$ 5.65 | |
| 3 | \$ 4.69 | \$ 5.97 | \$ 6.72 | \$ 7.06 | \$ 7.74 | \$ 8.42 | |
| 4 | \$ 5.23 | \$ 6.93 | \$ 7.93 | \$ 8.38 | \$ 9.29 | \$ 10.20 | |
| 5 | \$ 5.76 | \$ 7.88 | \$ 9.14 | \$ 9.69 | \$ 10.83 | \$ 11.97 | |
| 6 | \$ 6.29 | \$ 8.84 | \$ 9.89 | \$ 10.07 | \$ 11.32 | \$ 12.32 | |
| 7 | \$ 6.82 | \$ 9.80 | \$ 10.67 | \$ 11.02 | \$ 12.56 | \$ 14.04 | |
| 8 | \$ 7.35 | \$ 10.75 | \$ 11.44 | \$ 11.97 | \$ 13.81 | \$ 15.76 | |
| 9 | \$ 7.88 | \$ 11.71 | \$ 12.21 | \$ 12.92 | \$ 15.05 | \$ 17.48 | |
| 10 | \$ 8.41 | \$ 12.62 | \$ 12.98 | \$ 13.98 | \$ 16.29 | \$ 19.20 | |
| 11 | \$ 8.95 | \$ 13.33 | \$ 13.75 | \$ 15.17 | \$ 17.54 | \$ 20.92 | |
| 12 | \$ 9.48 | \$ 14.04 | \$ 14.52 | \$ 16.29 | \$ 18.78 | \$ 22.63 | |
| 13 | \$ 10.01 | \$ 14.75 | \$ 15.29 | \$ 17.48 | \$ 20.03 | \$ 24.35 | |
| 14 | \$ 10.54 | \$ 15.46 | \$ 16.06 | \$ 18.60 | \$ 21.27 | \$ 26.07 | |
| 15 | \$ 11.07 | \$ 16.18 | \$ 16.83 | \$ 19.73 | \$ 22.52 | \$ 27.79 | |
| 16 | \$ 11.60 | \$ 16.89 | \$ 17.60 | \$ 20.86 | \$ 23.76 | \$ 29.51 | |
| 17 | \$ 12.13 | \$ 17.60 | \$ 18.37 | \$ 22.04 | \$ 25.00 | \$ 31.22 | |
| 18 | \$ 12.67 | \$ 18.31 | \$ 19.32 | \$ 23.17 | \$ 26.25 | \$ 32.94 | |
| 19 | \$ 13.20 | \$ 19.02 | \$ 20.20 | \$ 24.29 | \$ 27.49 | \$ 34.66 | |
| 20 | \$ 13.73 | \$ 19.73 | \$ 21.15 | \$ 25.36 | \$ 28.74 | \$ 36.38 | |
| 21 | \$ 14.26 | \$ 20.44 | \$ 22.04 | \$ 26.54 | \$ 29.98 | \$ 38.10 | |
| 22 | \$ 14.79 | \$ 21.15 | \$ 22.93 | \$ 27.67 | \$ 31.22 | \$ 39.82 | |
| 23 | \$ 15.32 | \$ 21.86 | \$ 23.88 | \$ 28.80 | \$ 32.47 | \$ 41.53 | |
| 24 | \$ 15.85 | \$ 22.57 | \$ 24.83 | \$ 29.92 | \$ 33.71 | \$ 43.25 | |
| 25 | \$ 16.38 | \$ 23.29 | \$ 25.77 | \$ 31.11 | \$ 34.96 | \$ 44.97 | |
| 26 | \$ 16.92 | \$ 24.00 | \$ 26.60 | \$ 32.23 | \$ 36.20 | \$ 46.69 | |
| 27 | \$ 17.45 | \$ 24.71 | \$ 27.55 | \$ 33.36 | \$ 37.45 | \$ 48.41 | |
| 28 | \$ 17.98 | \$ 25.42 | \$ 28.50 | \$ 34.48 | \$ 38.69 | \$ 50.13 | |
| 29 | \$ 18.51 | \$ 26.13 | \$ 29.45 | \$ 35.61 | \$ 39.93 | \$ 51.84 | |
| 30 | \$ 19.04 | \$ 26.84 | \$ 30.34 | \$ 36.79 | \$ 41.18 | \$ 53.56 | |
| 31 | \$ 19.57 | \$ 27.55 | \$ 31.22 | \$ 37.86 | \$ 42.42 | \$ 55.28 | |
| 32 | \$ 20.10 | \$ 28.26 | \$ 32.17 | \$ 38.99 | \$ 43.67 | \$ 57.00 | |
| 33 | \$ 20.64 | \$ 28.97 | \$ 33.12 | \$ 40.11 | \$ 44.91 | \$ 58.72 | |
| 34 | \$ 21.17 | \$ 29.68 | \$ 34.01 | \$ 41.24 | \$ 46.16 | \$ 60.44 | |
| 35 | \$ 21.70 | \$ 30.40 | \$ 34.96 | \$ 42.42 | \$ 47.40 | \$ 62.15 | |
| 36 | \$ 22.23 | \$ 31.11 | \$ 35.85 | \$ 43.55 | \$ 48.64 | \$ 63.87 | |
| 37 | \$ 22.76 | \$ 31.94 | \$ 36.79 | \$ 44.67 | \$ 49.89 | \$ 65.59 | |
| 38 | \$ 23.29 | \$ 32.65 | \$ 37.68 | \$ 45.86 | \$ 51.13 | \$ 67.31 | |
| 39 | \$ 23.76 | \$ 33.48 | \$ 38.63 | \$ 46.99 | \$ 52.38 | \$ 69.03 | |
| 40 | \$ 24.23 | \$ 34.31 | \$ 39.58 | \$ 48.11 | \$ 53.62 | \$ 70.74 | |
| 41 | \$ 24.71 | \$ 35.02 | \$ 40.47 | \$ 49.24 | \$ 54.87 | \$ 72.46 | |
| 42 | \$ 25.18 | \$ 35.85 | \$ 41.36 | \$ 50.30 | \$ 56.17 | \$ 74.18 | |
| 43 | \$ 25.66 | \$ 36.62 | \$ 42.30 | \$ 51.49 | \$ 57.41 | \$ 75.90 | |

Priority Mail
Preliminary Rates, With Mitigation of Heavier Weight Increments
(Step One)

Attachment F
Page 5 of 17

5% Percentage point allowable increase over average percent increase

Weight to:

| <u>(Pounds)</u> | <u>L, 1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> |
|-----------------|---------------------|---------------|---------------|---------------|---------------|---------------|
| 44 | \$ 26.13 | \$ 37.39 | \$ 43.25 | \$ 52.61 | \$ 58.72 | \$ 77.62 |
| 45 | \$ 26.60 | \$ 38.22 | \$ 44.14 | \$ 53.74 | \$ 59.96 | \$ 79.34 |
| 46 | \$ 27.08 | \$ 38.99 | \$ 45.03 | \$ 54.87 | \$ 61.21 | \$ 81.05 |
| 47 | \$ 27.55 | \$ 39.76 | \$ 45.98 | \$ 56.05 | \$ 62.51 | \$ 82.77 |
| 48 | \$ 28.03 | \$ 40.59 | \$ 46.93 | \$ 57.18 | \$ 63.75 | \$ 84.49 |
| 49 | \$ 28.50 | \$ 41.36 | \$ 47.81 | \$ 58.30 | \$ 65.06 | \$ 86.21 |
| 50 | \$ 28.97 | \$ 42.13 | \$ 48.76 | \$ 59.43 | \$ 66.30 | \$ 87.93 |
| 51 | \$ 29.45 | \$ 42.96 | \$ 49.65 | \$ 60.55 | \$ 67.55 | \$ 89.65 |
| 52 | \$ 29.92 | \$ 43.73 | \$ 50.60 | \$ 61.74 | \$ 68.79 | \$ 91.36 |
| 53 | \$ 30.40 | \$ 44.50 | \$ 51.49 | \$ 62.86 | \$ 70.03 | \$ 93.08 |
| 54 | \$ 30.87 | \$ 45.27 | \$ 52.44 | \$ 63.93 | \$ 71.28 | \$ 94.80 |
| 55 | \$ 31.34 | \$ 46.10 | \$ 53.38 | \$ 65.06 | \$ 72.52 | \$ 96.52 |
| 56 | \$ 31.82 | \$ 46.87 | \$ 54.27 | \$ 66.24 | \$ 73.77 | \$ 98.24 |
| 57 | \$ 32.29 | \$ 47.64 | \$ 55.16 | \$ 67.37 | \$ 75.01 | \$ 99.95 |
| 58 | \$ 32.77 | \$ 48.47 | \$ 56.11 | \$ 68.49 | \$ 76.25 | \$ 101.67 |
| 59 | \$ 33.24 | \$ 49.24 | \$ 57.06 | \$ 69.62 | \$ 77.50 | \$ 103.39 |
| 60 | \$ 33.71 | \$ 50.01 | \$ 58.01 | \$ 70.80 | \$ 78.74 | \$ 105.11 |
| 61 | \$ 34.19 | \$ 50.84 | \$ 58.84 | \$ 71.93 | \$ 79.99 | \$ 106.83 |
| 62 | \$ 34.66 | \$ 51.55 | \$ 59.78 | \$ 73.06 | \$ 81.23 | \$ 108.55 |
| 63 | \$ 35.14 | \$ 52.38 | \$ 60.73 | \$ 74.18 | \$ 82.48 | \$ 110.26 |
| 64 | \$ 35.61 | \$ 53.21 | \$ 61.68 | \$ 75.37 | \$ 83.72 | \$ 111.98 |
| 65 | \$ 36.08 | \$ 53.92 | \$ 62.51 | \$ 76.43 | \$ 84.96 | \$ 113.70 |
| 66 | \$ 36.56 | \$ 54.75 | \$ 63.46 | \$ 77.56 | \$ 86.21 | \$ 115.42 |
| 67 | \$ 37.03 | \$ 55.58 | \$ 64.40 | \$ 78.68 | \$ 87.45 | \$ 117.14 |
| 68 | \$ 37.51 | \$ 56.29 | \$ 65.35 | \$ 79.81 | \$ 88.70 | \$ 118.86 |
| 69 | \$ 37.98 | \$ 57.12 | \$ 66.24 | \$ 80.99 | \$ 89.94 | \$ 120.57 |
| 70 | \$ 38.45 | \$ 57.95 | \$ 67.13 | \$ 82.12 | \$ 91.19 | \$ 122.29 |

Sources

Flat rate and 1-5 pounds: Attachment F, p. 2

Pounds 6-70: Attachment F, p. 2 if change from current rate in Attachment B, p. 6 is less than $13.5\% + 5\% = 18.5\%$;
otherwise 18.5%

Priority Mail
Preliminary Rate Change Comparison,
With Mitigation of Heavier Weight Increments

Attachment F
Page 6 of 17

Priority Mail
Preliminary Rate Change Comparison,
With Mitigation of Heavier Weight Increments
(Step One)

Attachment F
Page 6 of 17

| <u>Weight to:</u> <u>(Pounds)</u> | <u>L1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> |
|--------------------------------------|-------------------|---------------|---------------|---------------|---------------|---------------|
| 43 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 44 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 45 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 46 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 47 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 48 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 49 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 50 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 51 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 52 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 53 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 54 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 55 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 56 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 57 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 58 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 59 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 60 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 61 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 62 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 63 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 64 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 65 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 66 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 67 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 68 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 69 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |
| 70 | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% | 18.50% |

Sources: By rate cell, (Attachment F, p. 5 / Attachment B, p. 6) - 1

Priority Mail
Preliminary Revenues, With Mitigation of Heavier Weight Increments
(Step One)

Attachment F
Page 7 of 17

| Weight to: (Pounds) | L.1,2&3 | Zone 4 | Zone 5 | Zone 6 | Zone 7 | Zone 8 | Total |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|
| Flat Rate | \$232,351,489 | \$81,039,498 | \$96,394,018 | \$59,544,706 | \$41,621,237 | \$80,446,429 | \$591,397,377 |
| 1 | \$529,313,162 | \$176,210,567 | \$213,287,159 | \$120,812,987 | \$91,570,989 | \$175,407,103 | \$1,306,601,966 |
| 2 | \$632,350,399 | \$247,075,691 | \$299,017,201 | \$166,993,967 | \$134,096,986 | \$250,326,519 | \$1,729,860,764 |
| 3 | \$247,423,035 | \$130,604,936 | \$163,253,756 | \$97,543,939 | \$84,307,621 | \$164,552,724 | \$887,686,011 |
| 4 | \$108,619,766 | \$62,654,286 | \$89,828,434 | \$52,303,200 | \$45,395,996 | \$92,805,120 | \$451,606,802 |
| 5 | \$56,927,850 | \$34,555,628 | \$54,836,250 | \$32,047,677 | \$28,118,766 | \$60,192,106 | \$266,678,277 |
| 6 | \$33,381,452 | \$20,636,430 | \$33,887,181 | \$19,840,658 | \$17,716,110 | \$35,183,845 | \$160,645,676 |
| 7 | \$23,469,039 | \$15,103,111 | \$23,687,830 | \$13,389,226 | \$11,778,759 | \$27,706,977 | \$115,134,944 |
| 8 | \$16,586,787 | \$10,544,590 | \$16,335,471 | \$11,426,915 | \$10,816,434 | \$23,094,959 | \$88,805,154 |
| 9 | \$11,223,527 | \$8,474,977 | \$11,468,311 | \$8,485,779 | \$6,897,655 | \$17,932,399 | \$64,482,648 |
| 10 | \$8,050,789 | \$6,368,883 | \$9,560,679 | \$7,153,276 | \$6,444,683 | \$14,792,192 | \$52,370,502 |
| 11 | \$7,409,225 | \$4,833,594 | \$7,257,241 | \$5,521,981 | \$4,836,932 | \$12,907,602 | \$42,766,575 |
| 12 | \$5,535,801 | \$4,834,527 | \$5,870,115 | \$4,647,441 | \$5,566,402 | \$9,456,733 | \$35,911,019 |
| 13 | \$4,564,501 | \$3,154,721 | \$5,450,373 | \$3,279,949 | \$3,941,925 | \$8,130,079 | \$28,521,549 |
| 14 | \$3,294,056 | \$2,399,594 | \$3,563,069 | \$3,388,923 | \$2,877,755 | \$6,705,085 | \$22,228,482 |
| 15 | \$3,655,667 | \$2,334,321 | \$3,149,538 | \$2,929,615 | \$3,071,098 | \$6,689,895 | \$21,830,135 |
| 16 | \$2,069,816 | \$1,403,614 | \$3,090,153 | \$1,744,593 | \$2,081,705 | \$6,137,371 | \$16,527,251 |
| 17 | \$2,046,624 | \$1,719,696 | \$2,276,369 | \$2,009,873 | \$1,886,176 | \$5,542,294 | \$15,481,033 |
| 18 | \$1,712,962 | \$1,072,778 | \$1,585,390 | \$1,316,040 | \$1,840,738 | \$4,867,565 | \$12,395,472 |
| 19 | \$1,232,927 | \$1,602,492 | \$1,450,280 | \$1,269,323 | \$1,381,819 | \$5,855,786 | \$12,792,627 |
| 20 | \$1,588,943 | \$948,732 | \$1,539,026 | \$1,266,786 | \$2,150,726 | \$2,464,686 | \$9,958,899 |
| 21 | \$1,578,342 | \$850,509 | \$1,183,834 | \$848,128 | \$1,471,496 | \$3,175,660 | \$9,107,970 |
| 22 | \$1,282,598 | \$1,143,521 | \$1,302,541 | \$1,620,608 | \$918,395 | \$3,048,378 | \$9,316,041 |
| 23 | \$1,051,255 | \$1,105,403 | \$692,851 | \$1,301,489 | \$1,125,828 | \$2,935,691 | \$8,212,518 |
| 24 | \$1,177,339 | \$926,672 | \$1,082,486 | \$829,867 | \$868,054 | \$2,567,045 | \$7,451,462 |
| 25 | \$673,268 | \$617,065 | \$667,502 | \$864,257 | \$582,383 | \$3,247,475 | \$6,651,950 |
| 26 | \$832,015 | \$624,663 | \$678,646 | \$464,403 | \$506,550 | \$2,266,617 | \$5,372,893 |
| 27 | \$850,758 | \$359,450 | \$741,931 | \$521,692 | \$483,598 | \$1,968,429 | \$4,925,858 |
| 28 | \$601,100 | \$328,055 | \$551,501 | \$896,440 | \$325,179 | \$2,134,022 | \$4,836,296 |
| 29 | \$329,666 | \$391,099 | \$466,226 | \$168,533 | \$618,989 | \$1,308,864 | \$3,283,377 |
| 30 | \$916,538 | \$885,462 | \$850,134 | \$475,996 | \$1,200,177 | \$1,484,767 | \$5,813,074 |
| 31 | \$1,018,387 | \$175,615 | \$240,128 | \$290,741 | \$277,062 | \$1,662,808 | \$3,664,740 |
| 32 | \$451,784 | \$475,709 | \$210,626 | \$664,323 | \$302,835 | \$1,335,503 | \$3,440,780 |
| 33 | \$573,325 | \$346,131 | \$209,541 | \$260,632 | \$252,759 | \$1,248,775 | \$2,891,162 |
| 34 | \$526,315 | \$260,589 | \$104,353 | \$565,894 | \$297,253 | \$1,090,049 | \$2,844,454 |
| 35 | \$630,428 | \$686,411 | \$175,177 | \$341,181 | \$343,962 | \$1,550,522 | \$3,727,680 |
| 36 | \$449,678 | \$45,138 | \$340,518 | \$438,010 | \$285,191 | \$1,348,320 | \$2,906,858 |
| 37 | \$222,615 | \$55,040 | \$102,206 | \$228,185 | \$230,924 | \$919,730 | \$1,758,700 |
| 38 | \$291,661 | \$120,883 | \$207,106 | \$183,780 | \$1,828,989 | \$543,089 | \$3,175,510 |
| 39 | \$173,378 | \$177,908 | \$85,390 | \$296,129 | \$301,536 | \$1,425,033 | \$2,459,375 |
| 40 | \$161,152 | \$205,171 | \$134,018 | \$93,153 | \$356,261 | \$765,765 | \$1,715,521 |
| 41 | \$346,220 | \$228,897 | \$263,944 | \$170,629 | \$107,974 | \$1,274,309 | \$2,391,974 |
| 42 | \$117,877 | \$98,252 | \$78,872 | \$67,351 | \$171,530 | \$286,879 | \$820,761 |
| 43 | \$95,382 | \$148,887 | \$248,479 | \$81,783 | \$154,640 | \$730,813 | \$1,459,985 |
| 44 | \$232,462 | \$96,315 | \$105,974 | \$65,386 | \$251,924 | \$536,577 | \$1,288,637 |
| 45 | \$78,448 | \$20,549 | \$194,254 | \$56,728 | \$121,210 | \$1,661,689 | \$2,132,878 |
| 46 | \$81,685 | \$121,801 | \$122,681 | \$80,726 | \$284,280 | \$992,290 | \$1,683,462 |
| 47 | \$44,945 | \$34,106 | \$106,494 | \$81,997 | \$165,753 | \$374,545 | \$807,841 |
| 48 | \$45,061 | \$29,105 | \$92,092 | \$30,185 | \$59,862 | \$222,215 | \$478,520 |
| 49 | \$19,538 | \$20,760 | \$156,576 | \$135,891 | \$86,506 | \$680,248 | \$1,099,518 |
| 50 | \$90,577 | \$142,905 | \$23,499 | \$223,782 | \$76,293 | \$305,291 | \$862,347 |
| 51 | \$41,404 | \$0 | \$179,016 | \$23,715 | \$22,469 | \$194,266 | \$460,869 |

Priority Mail
Preliminary Revenues, With Mitigation of Heavier Weight Increments
(Step One)

Attachment F
Page 7 of 17

| Weight to: <i>(Pounds)</i> | <u>L1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|-------------------------------|-------------------|---------------|-----------------|---------------|-------------------------------------|-----------------|-----------------|
| 52 | \$53,451 | \$13,396 | \$424,691 | \$0 | \$1,682 | \$385,566 | \$878,785 |
| 53 | \$98,144 | \$72,502 | \$26,499 | \$22,566 | \$81,973 | \$222,992 | \$524,676 |
| 54 | \$58,657 | \$16,612 | \$257,268 | \$14,330 | \$7,211 | \$612,520 | \$966,598 |
| 55 | \$50,060 | \$8,363 | \$45,754 | \$30,201 | \$36,338 | \$459,349 | \$630,065 |
| 56 | \$55,768 | \$30,002 | \$44,841 | \$68,216 | \$20,648 | \$899,453 | \$1,118,929 |
| 57 | \$169,278 | \$45,514 | \$0 | \$18,587 | \$80,457 | \$220,424 | \$534,260 |
| 58 | \$29,616 | \$63,113 | \$72,700 | \$37,794 | \$21,599 | \$261,161 | \$485,983 |
| 59 | \$36,625 | \$0 | \$0 | \$86,211 | \$26,183 | \$0 | \$149,019 |
| 60 | \$54,716 | \$9,695 | \$1,248,461 | \$171,497 | \$21,092 | \$171,727 | \$1,677,189 |
| 61 | \$14,173 | \$38,222 | \$373,935 | \$239,903 | \$0 | \$286,006 | \$952,238 |
| 62 | \$14,084 | \$0 | \$14,980 | \$5,076 | \$0 | \$21,892 | \$56,033 |
| 63 | \$2,044 | \$73,076 | \$0 | \$0 | \$56,885 | \$34,876 | \$166,881 |
| 64 | \$7,674 | \$0 | \$11,800 | \$15,892 | \$17,851 | \$0 | \$53,218 |
| 65 | \$13,732 | \$49,889 | \$0 | \$0 | \$18,116 | \$155,269 | \$237,006 |
| 66 | \$5,263 | \$46,922 | \$10,717 | \$19,593 | \$18,382 | \$0 | \$100,875 |
| 67 | \$60,197 | \$0 | \$0 | \$16,592 | \$0 | \$35,271 | \$112,060 |
| 68 | \$1,867 | \$0 | \$0 | \$61,495 | \$34,390 | \$3,659 | \$101,410 |
| 69 | \$0 | \$0 | \$95,042 | \$58,000 | \$47,415 | \$0 | \$200,457 |
| 70 | \$0 | \$0 | \$0 | \$125,474 | \$0 | \$32,886 | \$158,360 |
| Total | \$1,948,518,369 | \$828,762,043 | \$1,061,013,129 | \$630,279,892 | \$522,970,597 | \$1,058,286,185 | \$6,049,830,215 |
| | | | | | Revenue Target (Attachment F, p. 4) | | \$6,122,086,030 |
| | | | | | Difference | | (\$72,255,815) |
| | | | | | Percent Difference | | -1.2% |

Sources: By rate cell, Attachment F, p. 5 * Attachment F, p. 3

Priority Mail
Joint Flat-Rate-Envelope/One-Pound Unzoned Rate
(Step Two)

Attachment F
Page 8 of 17

| | | | |
|-----|--------------------|-------------------------------|------------------|
| (a) | Attachment F, p. 7 | TYAR Calculated Revenue | |
| | | Flat Rate | \$ 591,397,377 |
| | | One-Pound | \$ 1,306,601,968 |
| | | Total | \$ 1,897,999,345 |
| (b) | Attachment F, p. 3 | TYAR Preliminary Volume | |
| | | Flat Rate | 151,798,234 |
| | | One-Pound | 345,835,931 |
| | | Total | 497,634,165 |
| (c) | = (a) / (b) | Avg. Rev. Per Piece, Combined | \$ 3.814 |

Set Joint Rate: [REDACTED]

Priority Mail
Preliminary Rates, With Unzoned Flat Rate/One-Pound Rate
(Step Two)

Attachment F
Page 9 of 17

Weight to:

| <u>(Pounds)</u> | <u>L,1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> |
|-----------------|--------------------|---------------|---------------|---------------|---------------|---------------|
| Flat Rate | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 |
| 1 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 |
| 2 | \$ 3.86 | \$ 4.47 | \$ 4.83 | \$ 4.99 | \$ 5.32 | \$ 5.65 |
| 3 | \$ 4.69 | \$ 5.97 | \$ 6.72 | \$ 7.06 | \$ 7.74 | \$ 8.42 |
| 4 | \$ 5.23 | \$ 6.93 | \$ 7.93 | \$ 8.38 | \$ 9.29 | \$ 10.20 |
| 5 | \$ 5.76 | \$ 7.88 | \$ 9.14 | \$ 9.69 | \$ 10.83 | \$ 11.97 |
| 6 | \$ 6.29 | \$ 8.84 | \$ 9.89 | \$ 10.07 | \$ 11.32 | \$ 12.32 |
| 7 | \$ 6.82 | \$ 9.80 | \$ 10.67 | \$ 11.02 | \$ 12.56 | \$ 14.04 |
| 8 | \$ 7.35 | \$ 10.75 | \$ 11.44 | \$ 11.97 | \$ 13.81 | \$ 15.76 |
| 9 | \$ 7.88 | \$ 11.71 | \$ 12.21 | \$ 12.92 | \$ 15.05 | \$ 17.48 |
| 10 | \$ 8.41 | \$ 12.62 | \$ 12.98 | \$ 13.98 | \$ 16.29 | \$ 19.20 |
| 11 | \$ 8.95 | \$ 13.33 | \$ 13.75 | \$ 15.17 | \$ 17.54 | \$ 20.92 |
| 12 | \$ 9.48 | \$ 14.04 | \$ 14.52 | \$ 16.29 | \$ 18.78 | \$ 22.63 |
| 13 | \$ 10.01 | \$ 14.75 | \$ 15.29 | \$ 17.48 | \$ 20.03 | \$ 24.35 |
| 14 | \$ 10.54 | \$ 15.46 | \$ 16.06 | \$ 18.60 | \$ 21.27 | \$ 26.07 |
| 15 | \$ 11.07 | \$ 16.18 | \$ 16.83 | \$ 19.73 | \$ 22.52 | \$ 27.79 |
| 16 | \$ 11.60 | \$ 16.89 | \$ 17.60 | \$ 20.86 | \$ 23.76 | \$ 29.51 |
| 17 | \$ 12.13 | \$ 17.60 | \$ 18.37 | \$ 22.04 | \$ 25.00 | \$ 31.22 |
| 18 | \$ 12.67 | \$ 18.31 | \$ 19.32 | \$ 23.17 | \$ 26.25 | \$ 32.94 |
| 19 | \$ 13.20 | \$ 19.02 | \$ 20.20 | \$ 24.29 | \$ 27.49 | \$ 34.66 |
| 20 | \$ 13.73 | \$ 19.73 | \$ 21.15 | \$ 25.36 | \$ 28.74 | \$ 36.38 |
| 21 | \$ 14.26 | \$ 20.44 | \$ 22.04 | \$ 26.54 | \$ 29.98 | \$ 38.10 |
| 22 | \$ 14.79 | \$ 21.15 | \$ 22.93 | \$ 27.67 | \$ 31.22 | \$ 39.82 |
| 23 | \$ 15.32 | \$ 21.86 | \$ 23.88 | \$ 28.80 | \$ 32.47 | \$ 41.53 |
| 24 | \$ 15.85 | \$ 22.57 | \$ 24.83 | \$ 29.92 | \$ 33.71 | \$ 43.25 |
| 25 | \$ 16.38 | \$ 23.29 | \$ 25.77 | \$ 31.11 | \$ 34.96 | \$ 44.97 |
| 26 | \$ 16.92 | \$ 24.00 | \$ 26.60 | \$ 32.23 | \$ 36.20 | \$ 46.69 |
| 27 | \$ 17.45 | \$ 24.71 | \$ 27.55 | \$ 33.36 | \$ 37.45 | \$ 48.41 |
| 28 | \$ 17.98 | \$ 25.42 | \$ 28.50 | \$ 34.48 | \$ 38.69 | \$ 50.13 |
| 29 | \$ 18.51 | \$ 26.13 | \$ 29.45 | \$ 35.61 | \$ 39.93 | \$ 51.84 |
| 30 | \$ 19.04 | \$ 26.84 | \$ 30.34 | \$ 36.79 | \$ 41.18 | \$ 53.56 |
| 31 | \$ 19.57 | \$ 27.55 | \$ 31.22 | \$ 37.86 | \$ 42.42 | \$ 55.28 |
| 32 | \$ 20.10 | \$ 28.26 | \$ 32.17 | \$ 38.99 | \$ 43.67 | \$ 57.00 |
| 33 | \$ 20.64 | \$ 28.97 | \$ 33.12 | \$ 40.11 | \$ 44.91 | \$ 58.72 |
| 34 | \$ 21.17 | \$ 29.68 | \$ 34.01 | \$ 41.24 | \$ 46.16 | \$ 60.44 |
| 35 | \$ 21.70 | \$ 30.40 | \$ 34.96 | \$ 42.42 | \$ 47.40 | \$ 62.15 |
| 36 | \$ 22.23 | \$ 31.11 | \$ 35.85 | \$ 43.55 | \$ 48.64 | \$ 63.87 |
| 37 | \$ 22.76 | \$ 31.94 | \$ 36.79 | \$ 44.67 | \$ 49.89 | \$ 65.59 |
| 38 | \$ 23.29 | \$ 32.65 | \$ 37.68 | \$ 45.86 | \$ 51.13 | \$ 67.31 |
| 39 | \$ 23.76 | \$ 33.48 | \$ 38.63 | \$ 46.99 | \$ 52.38 | \$ 69.03 |
| 40 | \$ 24.23 | \$ 34.31 | \$ 39.58 | \$ 48.11 | \$ 53.62 | \$ 70.74 |
| 41 | \$ 24.71 | \$ 35.02 | \$ 40.47 | \$ 49.24 | \$ 54.87 | \$ 72.46 |
| 42 | \$ 25.18 | \$ 35.85 | \$ 41.36 | \$ 50.30 | \$ 56.17 | \$ 74.18 |

Priority Mail
Preliminary Rates, With Unzoned Flat Rate/One-Pound Rate
(Step Two)

Attachment F
 Page 9 of 17

Weight to:

| <u>(Pounds)</u> | <u>L,1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> |
|-----------------|--------------------|---------------|---------------|---------------|---------------|---------------|
| 43 | \$ 25.66 | \$ 36.62 | \$ 42.30 | \$ 51.49 | \$ 57.41 | \$ 75.90 |
| 44 | \$ 26.13 | \$ 37.39 | \$ 43.25 | \$ 52.61 | \$ 58.72 | \$ 77.62 |
| 45 | \$ 26.60 | \$ 38.22 | \$ 44.14 | \$ 53.74 | \$ 59.96 | \$ 79.34 |
| 46 | \$ 27.08 | \$ 38.99 | \$ 45.03 | \$ 54.87 | \$ 61.21 | \$ 81.05 |
| 47 | \$ 27.55 | \$ 39.76 | \$ 45.98 | \$ 56.05 | \$ 62.51 | \$ 82.77 |
| 48 | \$ 28.03 | \$ 40.59 | \$ 46.93 | \$ 57.18 | \$ 63.75 | \$ 84.49 |
| 49 | \$ 28.50 | \$ 41.36 | \$ 47.81 | \$ 58.30 | \$ 65.06 | \$ 86.21 |
| 50 | \$ 28.97 | \$ 42.13 | \$ 48.76 | \$ 59.43 | \$ 66.30 | \$ 87.93 |
| 51 | \$ 29.45 | \$ 42.96 | \$ 49.65 | \$ 60.55 | \$ 67.55 | \$ 89.65 |
| 52 | \$ 29.92 | \$ 43.73 | \$ 50.60 | \$ 61.74 | \$ 68.79 | \$ 91.36 |
| 53 | \$ 30.40 | \$ 44.50 | \$ 51.49 | \$ 62.86 | \$ 70.03 | \$ 93.08 |
| 54 | \$ 30.87 | \$ 45.27 | \$ 52.44 | \$ 63.93 | \$ 71.28 | \$ 94.80 |
| 55 | \$ 31.34 | \$ 46.10 | \$ 53.38 | \$ 65.06 | \$ 72.52 | \$ 96.52 |
| 56 | \$ 31.82 | \$ 46.87 | \$ 54.27 | \$ 66.24 | \$ 73.77 | \$ 98.24 |
| 57 | \$ 32.29 | \$ 47.64 | \$ 55.16 | \$ 67.37 | \$ 75.01 | \$ 99.95 |
| 58 | \$ 32.77 | \$ 48.47 | \$ 56.11 | \$ 68.49 | \$ 76.25 | \$ 101.67 |
| 59 | \$ 33.24 | \$ 49.24 | \$ 57.06 | \$ 69.62 | \$ 77.50 | \$ 103.39 |
| 60 | \$ 33.71 | \$ 50.01 | \$ 58.01 | \$ 70.80 | \$ 78.74 | \$ 105.11 |
| 61 | \$ 34.19 | \$ 50.84 | \$ 58.84 | \$ 71.93 | \$ 79.99 | \$ 106.83 |
| 62 | \$ 34.66 | \$ 51.55 | \$ 59.78 | \$ 73.06 | \$ 81.23 | \$ 108.55 |
| 63 | \$ 35.14 | \$ 52.38 | \$ 60.73 | \$ 74.18 | \$ 82.48 | \$ 110.26 |
| 64 | \$ 35.61 | \$ 53.21 | \$ 61.68 | \$ 75.37 | \$ 83.72 | \$ 111.98 |
| 65 | \$ 36.08 | \$ 53.92 | \$ 62.51 | \$ 76.43 | \$ 84.96 | \$ 113.70 |
| 66 | \$ 36.56 | \$ 54.75 | \$ 63.46 | \$ 77.56 | \$ 86.21 | \$ 115.42 |
| 67 | \$ 37.03 | \$ 55.58 | \$ 64.40 | \$ 78.68 | \$ 87.45 | \$ 117.14 |
| 68 | \$ 37.51 | \$ 56.29 | \$ 65.35 | \$ 79.81 | \$ 88.70 | \$ 118.86 |
| 69 | \$ 37.98 | \$ 57.12 | \$ 66.24 | \$ 80.99 | \$ 89.94 | \$ 120.57 |
| 70 | \$ 38.45 | \$ 57.95 | \$ 67.13 | \$ 82.12 | \$ 91.19 | \$ 122.29 |

Sources

Flat rate and one pound: Attachment F, p. 8

2-70 pounds: Attachment F, p. 5

Priority Mail
Preliminary Revenues, With Unzoned Flat Rate/One-Pound Rate
(Step Two)

Attachment F
Page 10 of 17

Weight to:

| <u>(Pounds)</u> | <u>L,1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|-----------------|--------------------|---------------|---------------|---------------|---------------|---------------|-----------------|
| Flat Rate | \$253,204,776 | \$80,441,754 | \$90,907,279 | \$54,936,106 | \$36,767,178 | \$68,166,108 | \$584,423,200 |
| 1 | \$587,142,138 | \$180,103,706 | \$208,349,756 | \$115,738,094 | \$84,392,720 | \$155,741,921 | \$1,331,468,336 |
| 2 | \$632,350,399 | \$247,075,691 | \$299,017,201 | \$166,993,967 | \$134,096,986 | \$250,326,519 | \$1,729,860,764 |
| 3 | \$247,423,035 | \$130,604,936 | \$163,253,756 | \$97,543,939 | \$84,307,621 | \$164,552,724 | \$887,686,011 |
| 4 | \$108,619,766 | \$62,654,286 | \$89,828,434 | \$52,303,200 | \$45,395,996 | \$92,805,120 | \$451,606,802 |
| 5 | \$56,927,850 | \$34,555,628 | \$54,836,250 | \$32,047,677 | \$28,118,766 | \$60,192,106 | \$266,678,277 |
| 6 | \$33,381,452 | \$20,636,430 | \$33,887,181 | \$19,840,658 | \$17,716,110 | \$35,183,845 | \$160,645,676 |
| 7 | \$23,469,039 | \$15,103,111 | \$23,687,830 | \$13,389,226 | \$11,778,759 | \$27,706,977 | \$115,134,944 |
| 8 | \$16,586,787 | \$10,544,590 | \$16,335,471 | \$11,426,915 | \$10,816,434 | \$23,094,959 | \$88,805,154 |
| 9 | \$11,223,527 | \$8,474,977 | \$11,468,311 | \$8,485,779 | \$6,897,655 | \$17,932,399 | \$64,482,648 |
| 10 | \$8,050,789 | \$6,368,883 | \$9,560,679 | \$7,153,276 | \$6,444,683 | \$14,792,192 | \$52,370,502 |
| 11 | \$7,409,225 | \$4,833,594 | \$7,257,241 | \$5,521,981 | \$4,836,932 | \$12,907,602 | \$42,766,575 |
| 12 | \$5,535,801 | \$4,834,527 | \$5,870,115 | \$4,647,441 | \$5,566,402 | \$9,456,733 | \$35,911,019 |
| 13 | \$4,564,501 | \$3,154,721 | \$5,450,373 | \$3,279,949 | \$3,941,925 | \$8,130,079 | \$28,521,549 |
| 14 | \$3,294,056 | \$2,399,594 | \$3,563,069 | \$3,388,923 | \$2,877,755 | \$6,705,085 | \$22,228,482 |
| 15 | \$3,655,667 | \$2,334,321 | \$3,149,538 | \$2,929,615 | \$3,071,098 | \$6,689,895 | \$21,830,135 |
| 16 | \$2,069,816 | \$1,403,614 | \$3,090,153 | \$1,744,593 | \$2,081,705 | \$6,137,371 | \$16,527,251 |
| 17 | \$2,046,624 | \$1,719,696 | \$2,276,369 | \$2,009,873 | \$1,886,176 | \$5,542,294 | \$15,481,033 |
| 18 | \$1,712,962 | \$1,072,778 | \$1,585,390 | \$1,316,040 | \$1,840,738 | \$4,867,565 | \$12,395,472 |
| 19 | \$1,232,927 | \$1,602,492 | \$1,450,280 | \$1,269,323 | \$1,381,819 | \$5,855,786 | \$12,792,627 |
| 20 | \$1,588,943 | \$948,732 | \$1,539,026 | \$1,266,786 | \$2,150,726 | \$2,464,686 | \$9,958,899 |
| 21 | \$1,578,342 | \$850,509 | \$1,183,834 | \$848,128 | \$1,471,496 | \$3,175,660 | \$9,107,970 |
| 22 | \$1,282,598 | \$1,143,521 | \$1,302,541 | \$1,620,608 | \$918,395 | \$3,048,378 | \$9,316,041 |
| 23 | \$1,051,255 | \$1,105,403 | \$692,851 | \$1,301,489 | \$1,125,828 | \$2,935,691 | \$8,212,518 |
| 24 | \$1,177,339 | \$926,672 | \$1,082,486 | \$829,867 | \$868,054 | \$2,567,045 | \$7,451,462 |
| 25 | \$673,268 | \$617,065 | \$667,502 | \$864,257 | \$582,383 | \$3,247,475 | \$6,651,950 |
| 26 | \$832,015 | \$624,663 | \$678,646 | \$464,403 | \$506,550 | \$2,266,617 | \$5,372,893 |
| 27 | \$850,758 | \$359,450 | \$741,931 | \$521,692 | \$483,598 | \$1,968,429 | \$4,925,858 |
| 28 | \$601,100 | \$328,055 | \$551,501 | \$896,440 | \$325,179 | \$2,134,022 | \$4,836,296 |
| 29 | \$329,666 | \$391,099 | \$466,226 | \$168,533 | \$618,989 | \$1,308,864 | \$3,283,377 |
| 30 | \$916,538 | \$885,462 | \$850,134 | \$475,996 | \$1,200,177 | \$1,484,767 | \$5,813,074 |
| 31 | \$1,018,387 | \$175,615 | \$240,128 | \$290,741 | \$277,062 | \$1,662,808 | \$3,664,740 |
| 32 | \$451,784 | \$475,709 | \$210,626 | \$664,323 | \$302,835 | \$1,335,503 | \$3,440,780 |
| 33 | \$573,325 | \$346,131 | \$209,541 | \$260,632 | \$252,759 | \$1,248,775 | \$2,891,162 |
| 34 | \$526,315 | \$260,589 | \$104,353 | \$565,894 | \$297,253 | \$1,090,049 | \$2,844,454 |
| 35 | \$630,428 | \$686,411 | \$175,177 | \$341,181 | \$343,962 | \$1,550,522 | \$3,727,680 |
| 36 | \$449,678 | \$45,138 | \$340,518 | \$438,010 | \$285,191 | \$1,348,320 | \$2,906,856 |
| 37 | \$222,615 | \$55,040 | \$102,206 | \$228,185 | \$230,924 | \$919,730 | \$1,758,700 |
| 38 | \$291,661 | \$120,883 | \$207,106 | \$183,780 | \$1,828,989 | \$543,089 | \$3,175,510 |
| 39 | \$173,378 | \$177,908 | \$85,390 | \$296,129 | \$301,536 | \$1,425,033 | \$2,459,375 |
| 40 | \$161,152 | \$205,171 | \$134,018 | \$93,153 | \$356,261 | \$765,765 | \$1,715,521 |
| 41 | \$346,220 | \$228,897 | \$263,944 | \$170,629 | \$107,974 | \$1,274,309 | \$2,391,974 |
| 42 | \$117,877 | \$98,252 | \$78,872 | \$67,351 | \$171,530 | \$286,879 | \$820,761 |
| 43 | \$95,382 | \$148,887 | \$248,479 | \$81,783 | \$154,640 | \$730,813 | \$1,459,985 |
| 44 | \$232,462 | \$96,315 | \$105,974 | \$65,386 | \$251,924 | \$536,577 | \$1,288,637 |
| 45 | \$78,448 | \$20,549 | \$194,254 | \$56,728 | \$121,210 | \$1,661,689 | \$2,132,878 |
| 46 | \$81,685 | \$121,801 | \$122,681 | \$80,726 | \$284,280 | \$992,290 | \$1,683,462 |
| 47 | \$44,945 | \$34,106 | \$106,494 | \$81,997 | \$165,753 | \$374,545 | \$807,841 |

Priority Mail
Preliminary Revenues, With Unzoned Flat Rate/One-Pound Rate
(Step Two)

Attachment F
Page 10 of 17

| Weight to: (Pounds) | <u>L,1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|----------------------------|--------------------|---------------|-----------------|---------------|-------------------------------------|-----------------|-----------------|
| 48 | \$45,061 | \$29,105 | \$92,092 | \$30,185 | \$59,862 | \$222,215 | \$478,520 |
| 49 | \$19,538 | \$20,760 | \$156,576 | \$135,891 | \$86,506 | \$680,248 | \$1,099,518 |
| 50 | \$90,577 | \$142,905 | \$23,499 | \$223,782 | \$76,293 | \$305,291 | \$862,347 |
| 51 | \$41,404 | \$0 | \$179,016 | \$23,715 | \$22,469 | \$194,266 | \$460,869 |
| 52 | \$53,451 | \$13,396 | \$424,691 | \$0 | \$1,682 | \$385,566 | \$878,785 |
| 53 | \$98,144 | \$72,502 | \$26,499 | \$22,566 | \$81,973 | \$222,992 | \$524,676 |
| 54 | \$58,657 | \$16,612 | \$257,268 | \$14,330 | \$7,211 | \$612,520 | \$966,598 |
| 55 | \$50,060 | \$8,363 | \$45,754 | \$30,201 | \$36,338 | \$459,349 | \$630,065 |
| 56 | \$55,768 | \$30,002 | \$44,841 | \$68,216 | \$20,648 | \$899,453 | \$1,118,929 |
| 57 | \$169,278 | \$45,514 | \$0 | \$18,587 | \$80,457 | \$220,424 | \$534,260 |
| 58 | \$29,616 | \$63,113 | \$72,700 | \$37,794 | \$21,599 | \$261,161 | \$485,983 |
| 59 | \$36,625 | \$0 | \$0 | \$86,211 | \$26,183 | \$0 | \$149,019 |
| 60 | \$54,716 | \$9,695 | \$1,248,461 | \$171,497 | \$21,092 | \$171,727 | \$1,677,189 |
| 61 | \$14,173 | \$38,222 | \$373,935 | \$239,903 | \$0 | \$286,006 | \$952,238 |
| 62 | \$14,084 | \$0 | \$14,980 | \$5,076 | \$0 | \$21,892 | \$56,033 |
| 63 | \$2,044 | \$73,076 | \$0 | \$0 | \$56,885 | \$34,876 | \$166,881 |
| 64 | \$7,674 | \$0 | \$11,800 | \$15,892 | \$17,851 | \$0 | \$53,218 |
| 65 | \$13,732 | \$49,889 | \$0 | \$0 | \$18,116 | \$155,269 | \$237,006 |
| 66 | \$5,263 | \$46,922 | \$10,717 | \$19,593 | \$18,382 | \$0 | \$100,875 |
| 67 | \$60,197 | \$0 | \$0 | \$16,592 | \$0 | \$35,271 | \$112,060 |
| 68 | \$1,867 | \$0 | \$0 | \$61,495 | \$34,390 | \$3,659 | \$101,410 |
| 69 | \$0 | \$0 | \$95,042 | \$58,000 | \$47,415 | \$0 | \$200,457 |
| 70 | \$0 | \$0 | \$0 | \$125,474 | \$0 | \$32,886 | \$158,360 |
| Total | \$2,027,200,632 | \$832,057,438 | \$1,050,588,987 | \$620,596,400 | \$510,938,269 | \$1,026,340,681 | \$6,067,722,407 |
| | | | | | Revenue Target (Attachment F, p. 4) | | \$6,122,086,030 |
| | | | | | Difference | | -\$54,363,623 |
| | | | | | Percent Difference | | -0.9% |

Sources: By rate cell, Attachment F, p. 9 * Attachment F, p. 3

Priority Mail
Revenue Recovery From Pounds 2-5
(Step Three)

Attachment F
Page 11 of 17

| Weight Increments (Pounds) | Prelim. Revenue (a) | Required Revenue Recovery (b) | Required Percent Increase (c) = (b) / (a) |
|----------------------------------|---------------------------|--|--|
| 2-5 | \$3,335,831,854 | \$54,363,623 | 1.63% |

Sources:

- (a) Total in Attachment F, p. 10 for 2-5 pounds
- (b) Inverse of "difference" at bottom of Attachment F, p. 10

Priority Mail
Preliminary Rates, With Full Revenue Recovery
(Step Three)

Attachment F
Page 12 of 17

Weight to:

| (Pounds) | <u>L,1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> |
|-----------|--------------------|---------------|---------------|---------------|---------------|---------------|
| Flat Rate | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 |
| 1 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 |
| 2 | \$ 3.93 | \$ 4.55 | \$ 4.91 | \$ 5.07 | \$ 5.41 | \$ 5.74 |
| 3 | \$ 4.77 | \$ 6.07 | \$ 6.83 | \$ 7.17 | \$ 7.87 | \$ 8.56 |
| 4 | \$ 5.31 | \$ 7.04 | \$ 8.06 | \$ 8.51 | \$ 9.44 | \$ 10.37 |
| 5 | \$ 5.85 | \$ 8.01 | \$ 9.29 | \$ 9.85 | \$ 11.01 | \$ 12.17 |
| 6 | \$ 6.29 | \$ 8.84 | \$ 9.89 | \$ 10.07 | \$ 11.32 | \$ 12.32 |
| 7 | \$ 6.82 | \$ 9.80 | \$ 10.67 | \$ 11.02 | \$ 12.56 | \$ 14.04 |
| 8 | \$ 7.35 | \$ 10.75 | \$ 11.44 | \$ 11.97 | \$ 13.81 | \$ 15.76 |
| 9 | \$ 7.88 | \$ 11.71 | \$ 12.21 | \$ 12.92 | \$ 15.05 | \$ 17.48 |
| 10 | \$ 8.41 | \$ 12.62 | \$ 12.98 | \$ 13.98 | \$ 16.29 | \$ 19.20 |
| 11 | \$ 8.95 | \$ 13.33 | \$ 13.75 | \$ 15.17 | \$ 17.54 | \$ 20.92 |
| 12 | \$ 9.48 | \$ 14.04 | \$ 14.52 | \$ 16.29 | \$ 18.78 | \$ 22.63 |
| 13 | \$ 10.01 | \$ 14.75 | \$ 15.29 | \$ 17.48 | \$ 20.03 | \$ 24.35 |
| 14 | \$ 10.54 | \$ 15.46 | \$ 16.06 | \$ 18.60 | \$ 21.27 | \$ 26.07 |
| 15 | \$ 11.07 | \$ 16.18 | \$ 16.83 | \$ 19.73 | \$ 22.52 | \$ 27.79 |
| 16 | \$ 11.60 | \$ 16.89 | \$ 17.60 | \$ 20.86 | \$ 23.76 | \$ 29.51 |
| 17 | \$ 12.13 | \$ 17.60 | \$ 18.37 | \$ 22.04 | \$ 25.00 | \$ 31.22 |
| 18 | \$ 12.67 | \$ 18.31 | \$ 19.32 | \$ 23.17 | \$ 26.25 | \$ 32.94 |
| 19 | \$ 13.20 | \$ 19.02 | \$ 20.20 | \$ 24.29 | \$ 27.49 | \$ 34.66 |
| 20 | \$ 13.73 | \$ 19.73 | \$ 21.15 | \$ 25.36 | \$ 28.74 | \$ 36.38 |
| 21 | \$ 14.26 | \$ 20.44 | \$ 22.04 | \$ 26.54 | \$ 29.98 | \$ 38.10 |
| 22 | \$ 14.79 | \$ 21.15 | \$ 22.93 | \$ 27.67 | \$ 31.22 | \$ 39.82 |
| 23 | \$ 15.32 | \$ 21.86 | \$ 23.88 | \$ 28.80 | \$ 32.47 | \$ 41.53 |
| 24 | \$ 15.85 | \$ 22.57 | \$ 24.83 | \$ 29.92 | \$ 33.71 | \$ 43.25 |
| 25 | \$ 16.38 | \$ 23.29 | \$ 25.77 | \$ 31.11 | \$ 34.96 | \$ 44.97 |
| 26 | \$ 16.92 | \$ 24.00 | \$ 26.60 | \$ 32.23 | \$ 36.20 | \$ 46.69 |
| 27 | \$ 17.45 | \$ 24.71 | \$ 27.55 | \$ 33.36 | \$ 37.45 | \$ 48.41 |
| 28 | \$ 17.98 | \$ 25.42 | \$ 28.50 | \$ 34.48 | \$ 38.69 | \$ 50.13 |
| 29 | \$ 18.51 | \$ 26.13 | \$ 29.45 | \$ 35.61 | \$ 39.93 | \$ 51.84 |
| 30 | \$ 19.04 | \$ 26.84 | \$ 30.34 | \$ 36.79 | \$ 41.18 | \$ 53.56 |
| 31 | \$ 19.57 | \$ 27.55 | \$ 31.22 | \$ 37.86 | \$ 42.42 | \$ 55.28 |
| 32 | \$ 20.10 | \$ 28.26 | \$ 32.17 | \$ 38.99 | \$ 43.67 | \$ 57.00 |
| 33 | \$ 20.64 | \$ 28.97 | \$ 33.12 | \$ 40.11 | \$ 44.91 | \$ 58.72 |
| 34 | \$ 21.17 | \$ 29.68 | \$ 34.01 | \$ 41.24 | \$ 46.16 | \$ 60.44 |
| 35 | \$ 21.70 | \$ 30.40 | \$ 34.96 | \$ 42.42 | \$ 47.40 | \$ 62.15 |
| 36 | \$ 22.23 | \$ 31.11 | \$ 35.85 | \$ 43.55 | \$ 48.64 | \$ 63.87 |
| 37 | \$ 22.76 | \$ 31.94 | \$ 36.79 | \$ 44.67 | \$ 49.89 | \$ 65.59 |
| 38 | \$ 23.29 | \$ 32.65 | \$ 37.68 | \$ 45.86 | \$ 51.13 | \$ 67.31 |
| 39 | \$ 23.76 | \$ 33.48 | \$ 38.63 | \$ 46.99 | \$ 52.38 | \$ 69.03 |
| 40 | \$ 24.23 | \$ 34.31 | \$ 39.58 | \$ 48.11 | \$ 53.62 | \$ 70.74 |
| 41 | \$ 24.71 | \$ 35.02 | \$ 40.47 | \$ 49.24 | \$ 54.87 | \$ 72.46 |
| 42 | \$ 25.18 | \$ 35.85 | \$ 41.36 | \$ 50.30 | \$ 56.17 | \$ 74.18 |

Priority Mail
Preliminary Rates, With Full Revenue Recovery
(Step Three)

Attachment F
 Page 12 of 17

Weight to:

| <u>(Pounds)</u> | <u>L.1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> |
|-----------------|--------------------|---------------|---------------|---------------|---------------|---------------|
| 43 | \$ 25.66 | \$ 36.62 | \$ 42.30 | \$ 51.49 | \$ 57.41 | \$ 75.90 |
| 44 | \$ 26.13 | \$ 37.39 | \$ 43.25 | \$ 52.61 | \$ 58.72 | \$ 77.62 |
| 45 | \$ 26.60 | \$ 38.22 | \$ 44.14 | \$ 53.74 | \$ 59.96 | \$ 79.34 |
| 46 | \$ 27.08 | \$ 38.99 | \$ 45.03 | \$ 54.87 | \$ 61.21 | \$ 81.05 |
| 47 | \$ 27.55 | \$ 39.76 | \$ 45.98 | \$ 56.05 | \$ 62.51 | \$ 82.77 |
| 48 | \$ 28.03 | \$ 40.59 | \$ 46.93 | \$ 57.18 | \$ 63.75 | \$ 84.49 |
| 49 | \$ 28.50 | \$ 41.36 | \$ 47.81 | \$ 58.30 | \$ 65.06 | \$ 86.21 |
| 50 | \$ 28.97 | \$ 42.13 | \$ 48.76 | \$ 59.43 | \$ 66.30 | \$ 87.93 |
| 51 | \$ 29.45 | \$ 42.96 | \$ 49.65 | \$ 60.55 | \$ 67.55 | \$ 89.65 |
| 52 | \$ 29.92 | \$ 43.73 | \$ 50.60 | \$ 61.74 | \$ 68.79 | \$ 91.36 |
| 53 | \$ 30.40 | \$ 44.50 | \$ 51.49 | \$ 62.86 | \$ 70.03 | \$ 93.08 |
| 54 | \$ 30.87 | \$ 45.27 | \$ 52.44 | \$ 63.93 | \$ 71.28 | \$ 94.80 |
| 55 | \$ 31.34 | \$ 46.10 | \$ 53.38 | \$ 65.06 | \$ 72.52 | \$ 96.52 |
| 56 | \$ 31.82 | \$ 46.87 | \$ 54.27 | \$ 66.24 | \$ 73.77 | \$ 98.24 |
| 57 | \$ 32.29 | \$ 47.64 | \$ 55.16 | \$ 67.37 | \$ 75.01 | \$ 99.95 |
| 58 | \$ 32.77 | \$ 48.47 | \$ 56.11 | \$ 68.49 | \$ 76.25 | \$ 101.67 |
| 59 | \$ 33.24 | \$ 49.24 | \$ 57.06 | \$ 69.62 | \$ 77.50 | \$ 103.39 |
| 60 | \$ 33.71 | \$ 50.01 | \$ 58.01 | \$ 70.80 | \$ 78.74 | \$ 105.11 |
| 61 | \$ 34.19 | \$ 50.84 | \$ 58.84 | \$ 71.93 | \$ 79.99 | \$ 106.83 |
| 62 | \$ 34.66 | \$ 51.55 | \$ 59.78 | \$ 73.06 | \$ 81.23 | \$ 108.55 |
| 63 | \$ 35.14 | \$ 52.38 | \$ 60.73 | \$ 74.18 | \$ 82.48 | \$ 110.26 |
| 64 | \$ 35.61 | \$ 53.21 | \$ 61.68 | \$ 75.37 | \$ 83.72 | \$ 111.98 |
| 65 | \$ 36.08 | \$ 53.92 | \$ 62.51 | \$ 76.43 | \$ 84.96 | \$ 113.70 |
| 66 | \$ 36.56 | \$ 54.75 | \$ 63.46 | \$ 77.56 | \$ 86.21 | \$ 115.42 |
| 67 | \$ 37.03 | \$ 55.58 | \$ 64.40 | \$ 78.68 | \$ 87.45 | \$ 117.14 |
| 68 | \$ 37.51 | \$ 56.29 | \$ 65.35 | \$ 79.81 | \$ 88.70 | \$ 118.86 |
| 69 | \$ 37.98 | \$ 57.12 | \$ 66.24 | \$ 80.99 | \$ 89.94 | \$ 120.57 |
| 70 | \$ 38.45 | \$ 57.95 | \$ 67.13 | \$ 82.12 | \$ 91.19 | \$ 122.29 |

Sources

Flat rate, 1 pound, pounds 6-70: Attachment F, p. 9

Pounds 2-5: Attachment F, p. 9 * (1 + Attachment F, p. 11, column (c))

Priority Mail
Preliminary Revenues, With Full Revenue Recovery
(Step Three)

Attachment F
Page 13 of 17

Weight to:

| (Pounds) | L_1,2&3 | Zone 4 | Zone 5 | Zone 6 | Zone 7 | Zone 8 | Total |
|-----------|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|
| Flat Rate | \$253,204,776 | \$80,441,754 | \$90,907,279 | \$54,936,106 | \$36,767,178 | \$68,166,108 | \$584,423,200 |
| 1 | \$587,142,138 | \$180,103,706 | \$208,349,756 | \$115,738,094 | \$84,392,720 | \$155,741,921 | \$1,331,468,336 |
| 2 | \$642,655,733 | \$251,102,251 | \$303,890,246 | \$169,715,447 | \$136,282,348 | \$254,406,058 | \$1,758,052,083 |
| 3 | \$251,455,257 | \$132,733,388 | \$165,914,281 | \$99,133,600 | \$85,681,571 | \$167,234,418 | \$902,152,516 |
| 4 | \$110,389,928 | \$63,675,355 | \$91,292,357 | \$53,155,579 | \$46,135,809 | \$94,317,553 | \$458,966,580 |
| 5 | \$57,855,596 | \$35,118,777 | \$55,729,909 | \$32,569,954 | \$28,577,014 | \$61,173,049 | \$271,024,299 |
| 6 | \$33,381,452 | \$20,636,430 | \$33,887,181 | \$19,840,658 | \$17,716,110 | \$35,183,845 | \$160,645,676 |
| 7 | \$23,469,039 | \$15,103,111 | \$23,687,830 | \$13,389,226 | \$11,778,759 | \$27,706,977 | \$115,134,944 |
| 8 | \$16,586,787 | \$10,544,590 | \$16,335,471 | \$11,426,915 | \$10,816,434 | \$23,094,959 | \$88,805,154 |
| 9 | \$11,223,527 | \$8,474,977 | \$11,468,311 | \$8,485,779 | \$6,897,655 | \$17,932,399 | \$64,482,648 |
| 10 | \$8,050,789 | \$6,368,883 | \$9,560,679 | \$7,153,276 | \$6,444,683 | \$14,792,192 | \$52,370,502 |
| 11 | \$7,409,225 | \$4,833,594 | \$7,257,241 | \$5,521,981 | \$4,836,932 | \$12,907,602 | \$42,766,575 |
| 12 | \$5,535,801 | \$4,834,527 | \$5,870,115 | \$4,647,441 | \$5,566,402 | \$9,456,733 | \$35,911,019 |
| 13 | \$4,564,501 | \$3,154,721 | \$5,450,373 | \$3,279,949 | \$3,941,925 | \$8,130,079 | \$28,521,549 |
| 14 | \$3,294,056 | \$2,399,594 | \$3,563,069 | \$3,388,923 | \$2,877,755 | \$6,705,085 | \$22,228,482 |
| 15 | \$3,655,667 | \$2,334,321 | \$3,149,538 | \$2,929,615 | \$3,071,098 | \$6,689,895 | \$21,830,135 |
| 16 | \$2,069,816 | \$1,403,614 | \$3,090,153 | \$1,744,593 | \$2,081,705 | \$6,137,371 | \$16,527,251 |
| 17 | \$2,046,624 | \$1,719,696 | \$2,276,369 | \$2,009,873 | \$1,886,176 | \$5,542,294 | \$15,481,033 |
| 18 | \$1,712,962 | \$1,072,778 | \$1,585,390 | \$1,316,040 | \$1,840,738 | \$4,867,565 | \$12,395,472 |
| 19 | \$1,232,927 | \$1,602,492 | \$1,450,280 | \$1,269,323 | \$1,381,819 | \$5,855,786 | \$12,792,627 |
| 20 | \$1,588,943 | \$948,732 | \$1,539,026 | \$1,266,786 | \$2,150,726 | \$2,464,686 | \$9,958,899 |
| 21 | \$1,578,342 | \$850,509 | \$1,183,834 | \$848,128 | \$1,471,496 | \$3,175,660 | \$9,107,970 |
| 22 | \$1,282,598 | \$1,143,521 | \$1,302,541 | \$1,620,608 | \$918,395 | \$3,048,378 | \$9,316,041 |
| 23 | \$1,051,255 | \$1,105,403 | \$692,851 | \$1,301,489 | \$1,125,828 | \$2,935,691 | \$8,212,518 |
| 24 | \$1,177,339 | \$926,672 | \$1,082,486 | \$829,867 | \$868,054 | \$2,567,045 | \$7,451,462 |
| 25 | \$673,268 | \$617,065 | \$667,502 | \$864,257 | \$582,383 | \$3,247,475 | \$6,651,950 |
| 26 | \$832,015 | \$624,663 | \$678,646 | \$464,403 | \$506,550 | \$2,266,617 | \$5,372,893 |
| 27 | \$850,758 | \$359,450 | \$741,931 | \$521,692 | \$483,598 | \$1,968,429 | \$4,925,858 |
| 28 | \$601,100 | \$328,055 | \$551,501 | \$896,440 | \$325,179 | \$2,134,022 | \$4,836,296 |
| 29 | \$329,666 | \$391,099 | \$466,226 | \$168,533 | \$618,989 | \$1,308,864 | \$3,283,377 |
| 30 | \$916,538 | \$885,462 | \$850,134 | \$475,996 | \$1,200,177 | \$1,484,767 | \$5,813,074 |
| 31 | \$1,018,387 | \$175,615 | \$240,128 | \$290,741 | \$277,062 | \$1,662,808 | \$3,664,740 |
| 32 | \$451,784 | \$475,709 | \$210,626 | \$664,323 | \$302,835 | \$1,335,503 | \$3,440,780 |
| 33 | \$573,325 | \$346,131 | \$209,541 | \$260,632 | \$252,759 | \$1,248,775 | \$2,891,162 |
| 34 | \$526,315 | \$260,589 | \$104,353 | \$565,894 | \$297,253 | \$1,090,049 | \$2,844,454 |
| 35 | \$630,428 | \$686,411 | \$175,177 | \$341,181 | \$343,962 | \$1,550,522 | \$3,727,680 |
| 36 | \$449,678 | \$45,138 | \$340,518 | \$438,010 | \$285,191 | \$1,348,320 | \$2,906,856 |
| 37 | \$222,615 | \$55,040 | \$102,206 | \$228,185 | \$230,924 | \$919,730 | \$1,758,700 |
| 38 | \$291,661 | \$120,883 | \$207,106 | \$183,780 | \$1,828,989 | \$543,089 | \$3,175,510 |
| 39 | \$173,378 | \$177,908 | \$85,390 | \$296,129 | \$301,536 | \$1,425,033 | \$2,459,375 |
| 40 | \$161,152 | \$205,171 | \$134,018 | \$93,153 | \$356,261 | \$765,765 | \$1,715,521 |
| 41 | \$346,220 | \$228,897 | \$263,944 | \$170,629 | \$107,974 | \$1,274,309 | \$2,391,974 |
| 42 | \$117,877 | \$98,252 | \$78,872 | \$67,351 | \$171,530 | \$286,879 | \$820,761 |
| 43 | \$95,382 | \$148,887 | \$248,479 | \$81,783 | \$154,640 | \$730,813 | \$1,459,985 |
| 44 | \$232,462 | \$96,315 | \$105,974 | \$65,386 | \$251,924 | \$536,577 | \$1,288,637 |

Priority Mail
Preliminary Revenues, With Full Revenue Recovery
(Step Three)

Attachment F
Page 13 of 17

Weight to:

| <u>(Pounds)</u> | <u>L,1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|-----------------|--------------------|---------------|-----------------|---------------|-------------------------------------|-----------------|-----------------|
| 45 | \$78,448 | \$20,549 | \$194,254 | \$56,728 | \$121,210 | \$1,661,689 | \$2,132,878 |
| 46 | \$81,685 | \$121,801 | \$122,681 | \$80,726 | \$284,280 | \$992,290 | \$1,683,462 |
| 47 | \$44,945 | \$34,106 | \$106,494 | \$81,997 | \$165,753 | \$374,545 | \$807,841 |
| 48 | \$45,061 | \$29,105 | \$92,092 | \$30,185 | \$59,862 | \$222,215 | \$478,520 |
| 49 | \$19,538 | \$20,760 | \$156,576 | \$135,891 | \$86,506 | \$680,248 | \$1,099,518 |
| 50 | \$90,577 | \$142,905 | \$23,499 | \$223,782 | \$76,293 | \$305,291 | \$862,347 |
| 51 | \$41,404 | \$0 | \$179,016 | \$23,715 | \$22,469 | \$194,266 | \$460,869 |
| 52 | \$53,451 | \$13,396 | \$424,691 | \$0 | \$1,682 | \$385,566 | \$878,785 |
| 53 | \$98,144 | \$72,502 | \$26,499 | \$22,566 | \$81,973 | \$222,992 | \$524,676 |
| 54 | \$58,657 | \$16,612 | \$257,268 | \$14,330 | \$7,211 | \$612,520 | \$966,598 |
| 55 | \$50,060 | \$8,363 | \$45,754 | \$30,201 | \$36,338 | \$459,349 | \$630,065 |
| 56 | \$55,768 | \$30,002 | \$44,841 | \$68,216 | \$20,648 | \$899,453 | \$1,118,929 |
| 57 | \$169,278 | \$45,514 | \$0 | \$18,587 | \$80,457 | \$220,424 | \$534,260 |
| 58 | \$29,616 | \$63,113 | \$72,700 | \$37,794 | \$21,599 | \$261,161 | \$485,983 |
| 59 | \$36,625 | \$0 | \$0 | \$86,211 | \$26,183 | \$0 | \$149,019 |
| 60 | \$54,716 | \$9,695 | \$1,248,461 | \$171,497 | \$21,092 | \$171,727 | \$1,677,189 |
| 61 | \$14,173 | \$38,222 | \$373,935 | \$239,903 | \$0 | \$286,006 | \$952,238 |
| 62 | \$14,084 | \$0 | \$14,980 | \$5,076 | \$0 | \$21,892 | \$56,033 |
| 63 | \$2,044 | \$73,076 | \$0 | \$0 | \$56,885 | \$34,876 | \$166,881 |
| 64 | \$7,674 | \$0 | \$11,800 | \$15,892 | \$17,851 | \$0 | \$53,218 |
| 65 | \$13,732 | \$49,889 | \$0 | \$0 | \$18,116 | \$155,269 | \$237,006 |
| 66 | \$5,263 | \$46,922 | \$10,717 | \$19,593 | \$18,382 | \$0 | \$100,875 |
| 67 | \$60,197 | \$0 | \$0 | \$16,592 | \$0 | \$35,271 | \$112,060 |
| 68 | \$1,867 | \$0 | \$0 | \$61,495 | \$34,390 | \$3,659 | \$101,410 |
| 69 | \$0 | \$0 | \$95,042 | \$58,000 | \$47,415 | \$0 | \$200,457 |
| 70 | \$0 | \$0 | \$0 | \$125,474 | \$0 | \$32,886 | \$158,360 |
| Total | \$2,044,236,095 | \$839,796,668 | \$1,060,480,139 | \$626,282,195 | \$515,695,641 | \$1,035,595,291 | \$6,122,086,030 |
| | | | | | Revenue Target (Attachment F, p. 4) | | \$6,122,086,030 |
| | | | | | Difference | | \$0 |
| | | | | | Percent Difference | | 0.0% |

Sources: By rate cell, Attachment F, p. 12 * Attachment F, p. 3

Priority Mail
Rounded and Final Rates

Attachment F
Page 14 of 17

Weight to:

| (Pounds) | <u>L,1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> |
|-----------|--------------------|---------------|---------------|---------------|---------------|---------------|
| Flat Rate | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 |
| 1 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 | \$ 3.85 |
| 2 | \$ 3.95 | \$ 4.55 | \$ 4.90 | \$ 5.05 | \$ 5.40 | \$ 5.75 |
| 3 | \$ 4.75 | \$ 6.05 | \$ 6.85 | \$ 7.15 | \$ 7.85 | \$ 8.55 |
| 4 | \$ 5.30 | \$ 7.05 | \$ 8.05 | \$ 8.50 | \$ 9.45 | \$ 10.35 |
| 5 | \$ 5.85 | \$ 8.00 | \$ 9.30 | \$ 9.85 | \$ 11.00 | \$ 12.15 |
| 6 | \$ 6.30 | \$ 8.85 | \$ 9.90 | \$ 10.05 | \$ 11.30 | \$ 12.30 |
| 7 | \$ 6.80 | \$ 9.80 | \$ 10.65 | \$ 11.00 | \$ 12.55 | \$ 14.05 |
| 8 | \$ 7.35 | \$ 10.75 | \$ 11.45 | \$ 11.95 | \$ 13.80 | \$ 15.75 |
| 9 | \$ 7.90 | \$ 11.70 | \$ 12.20 | \$ 12.90 | \$ 15.05 | \$ 17.50 |
| 10 | \$ 8.40 | \$ 12.60 | \$ 13.00 | \$ 14.00 | \$ 16.30 | \$ 19.20 |
| 11 | \$ 8.95 | \$ 13.35 | \$ 13.75 | \$ 15.15 | \$ 17.55 | \$ 20.90 |
| 12 | \$ 9.50 | \$ 14.05 | \$ 14.50 | \$ 16.30 | \$ 18.80 | \$ 22.65 |
| 13 | \$ 10.00 | \$ 14.75 | \$ 15.30 | \$ 17.50 | \$ 20.05 | \$ 24.35 |
| 14 | \$ 10.55 | \$ 15.45 | \$ 16.05 | \$ 18.60 | \$ 21.25 | \$ 26.05 |
| 15 | \$ 11.05 | \$ 16.20 | \$ 16.85 | \$ 19.75 | \$ 22.50 | \$ 27.80 |
| 16 | \$ 11.60 | \$ 16.90 | \$ 17.60 | \$ 20.85 | \$ 23.75 | \$ 29.50 |
| 17 | \$ 12.15 | \$ 17.60 | \$ 18.35 | \$ 22.05 | \$ 25.00 | \$ 31.20 |
| 18 | \$ 12.65 | \$ 18.30 | \$ 19.30 | \$ 23.15 | \$ 26.25 | \$ 32.95 |
| 19 | \$ 13.20 | \$ 19.00 | \$ 20.20 | \$ 24.30 | \$ 27.50 | \$ 34.65 |
| 20 | \$ 13.75 | \$ 19.75 | \$ 21.15 | \$ 25.35 | \$ 28.75 | \$ 36.40 |
| 21 | \$ 14.25 | \$ 20.45 | \$ 22.05 | \$ 26.55 | \$ 30.00 | \$ 38.10 |
| 22 | \$ 14.80 | \$ 21.15 | \$ 22.95 | \$ 27.65 | \$ 31.20 | \$ 39.80 |
| 23 | \$ 15.30 | \$ 21.85 | \$ 23.90 | \$ 28.80 | \$ 32.45 | \$ 41.55 |
| 24 | \$ 15.85 | \$ 22.55 | \$ 24.85 | \$ 29.90 | \$ 33.70 | \$ 43.25 |
| 25 | \$ 16.40 | \$ 23.30 | \$ 25.75 | \$ 31.10 | \$ 34.95 | \$ 44.95 |
| 26 | \$ 16.90 | \$ 24.00 | \$ 26.60 | \$ 32.25 | \$ 36.20 | \$ 46.70 |
| 27 | \$ 17.45 | \$ 24.70 | \$ 27.55 | \$ 33.35 | \$ 37.45 | \$ 48.40 |
| 28 | \$ 18.00 | \$ 25.40 | \$ 28.50 | \$ 34.50 | \$ 38.70 | \$ 50.15 |
| 29 | \$ 18.50 | \$ 26.15 | \$ 29.45 | \$ 35.60 | \$ 39.95 | \$ 51.85 |
| 30 | \$ 19.05 | \$ 26.85 | \$ 30.35 | \$ 36.80 | \$ 41.20 | \$ 53.55 |
| 31 | \$ 19.55 | \$ 27.55 | \$ 31.20 | \$ 37.85 | \$ 42.40 | \$ 55.30 |
| 32 | \$ 20.10 | \$ 28.25 | \$ 32.15 | \$ 39.00 | \$ 43.65 | \$ 57.00 |
| 33 | \$ 20.65 | \$ 28.95 | \$ 33.10 | \$ 40.10 | \$ 44.90 | \$ 58.70 |
| 34 | \$ 21.15 | \$ 29.70 | \$ 34.00 | \$ 41.25 | \$ 46.15 | \$ 60.45 |
| 35 | \$ 21.70 | \$ 30.40 | \$ 34.95 | \$ 42.40 | \$ 47.40 | \$ 62.15 |
| 36 | \$ 22.25 | \$ 31.10 | \$ 35.85 | \$ 43.55 | \$ 48.65 | \$ 63.85 |
| 37 | \$ 22.75 | \$ 31.95 | \$ 36.80 | \$ 44.65 | \$ 49.90 | \$ 65.60 |
| 38 | \$ 23.30 | \$ 32.65 | \$ 37.70 | \$ 45.85 | \$ 51.15 | \$ 67.30 |
| 39 | \$ 23.75 | \$ 33.50 | \$ 38.65 | \$ 47.00 | \$ 52.40 | \$ 69.05 |
| 40 | \$ 24.25 | \$ 34.30 | \$ 39.60 | \$ 48.10 | \$ 53.60 | \$ 70.75 |
| 41 | \$ 24.70 | \$ 35.00 | \$ 40.45 | \$ 49.25 | \$ 54.85 | \$ 72.45 |
| 42 | \$ 25.20 | \$ 35.85 | \$ 41.35 | \$ 50.30 | \$ 56.15 | \$ 74.20 |

Priority Mail
Rounded and Final Rates

Attachment F
 Page 14 of 17

Weight to:

| (Pounds) | L, 1, 2 & 3 | Zone 4 | Zone 5 | Zone 6 | Zone 7 | Zone 8 |
|-----------------|------------------------|---------------|---------------|---------------|---------------|---------------|
| 43 | \$ 25.65 | \$ 36.60 | \$ 42.30 | \$ 51.50 | \$ 57.40 | \$ 75.90 |
| 44 | \$ 26.15 | \$ 37.40 | \$ 43.25 | \$ 52.60 | \$ 58.70 | \$ 77.60 |
| 45 | \$ 26.60 | \$ 38.20 | \$ 44.15 | \$ 53.75 | \$ 59.95 | \$ 79.35 |
| 46 | \$ 27.10 | \$ 39.00 | \$ 45.05 | \$ 54.85 | \$ 61.20 | \$ 81.05 |
| 47 | \$ 27.55 | \$ 39.75 | \$ 46.00 | \$ 56.05 | \$ 62.50 | \$ 82.75 |
| 48 | \$ 28.05 | \$ 40.60 | \$ 46.95 | \$ 57.20 | \$ 63.75 | \$ 84.50 |
| 49 | \$ 28.50 | \$ 41.35 | \$ 47.80 | \$ 58.30 | \$ 65.05 | \$ 86.20 |
| 50 | \$ 28.95 | \$ 42.15 | \$ 48.75 | \$ 59.45 | \$ 66.30 | \$ 87.95 |
| 51 | \$ 29.45 | \$ 42.95 | \$ 49.65 | \$ 60.55 | \$ 67.55 | \$ 89.65 |
| 52 | \$ 29.90 | \$ 43.75 | \$ 50.60 | \$ 61.75 | \$ 68.80 | \$ 91.35 |
| 53 | \$ 30.40 | \$ 44.50 | \$ 51.50 | \$ 62.85 | \$ 70.05 | \$ 93.10 |
| 54 | \$ 30.85 | \$ 45.25 | \$ 52.45 | \$ 63.95 | \$ 71.30 | \$ 94.80 |
| 55 | \$ 31.35 | \$ 46.10 | \$ 53.40 | \$ 65.05 | \$ 72.50 | \$ 96.50 |
| 56 | \$ 31.80 | \$ 46.85 | \$ 54.25 | \$ 66.25 | \$ 73.75 | \$ 98.25 |
| 57 | \$ 32.30 | \$ 47.65 | \$ 55.15 | \$ 67.35 | \$ 75.00 | \$ 99.95 |
| 58 | \$ 32.75 | \$ 48.45 | \$ 56.10 | \$ 68.50 | \$ 76.25 | \$ 101.65 |
| 59 | \$ 33.25 | \$ 49.25 | \$ 57.05 | \$ 69.60 | \$ 77.50 | \$ 103.40 |
| 60 | \$ 33.70 | \$ 50.00 | \$ 58.00 | \$ 70.80 | \$ 78.75 | \$ 105.10 |
| 61 | \$ 34.20 | \$ 50.85 | \$ 58.85 | \$ 71.95 | \$ 80.00 | \$ 106.85 |
| 62 | \$ 34.65 | \$ 51.55 | \$ 59.80 | \$ 73.05 | \$ 81.25 | \$ 108.55 |
| 63 | \$ 35.15 | \$ 52.40 | \$ 60.75 | \$ 74.20 | \$ 82.50 | \$ 110.25 |
| 64 | \$ 35.60 | \$ 53.20 | \$ 61.70 | \$ 75.35 | \$ 83.70 | \$ 112.00 |
| 65 | \$ 36.10 | \$ 53.90 | \$ 62.50 | \$ 76.45 | \$ 84.95 | \$ 113.70 |
| 66 | \$ 36.55 | \$ 54.75 | \$ 63.45 | \$ 77.55 | \$ 86.20 | \$ 115.40 |
| 67 | \$ 37.05 | \$ 55.60 | \$ 64.40 | \$ 78.70 | \$ 87.45 | \$ 117.15 |
| 68 | \$ 37.50 | \$ 56.30 | \$ 65.35 | \$ 79.80 | \$ 88.70 | \$ 118.85 |
| 69 | \$ 38.00 | \$ 57.10 | \$ 66.25 | \$ 81.00 | \$ 89.95 | \$ 120.55 |
| 70 | \$ 38.45 | \$ 57.95 | \$ 67.15 | \$ 82.10 | \$ 91.20 | \$ 122.30 |

Source: Attachment F, p. 12 rounded to the nearest 5-cent increment

Priority Mail
Estimated Revenue

Attachment F
Page 15 of 17

Weight to:

| (Pounds) | <u>L1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|-----------|-------------------|---------------|---------------|---------------|---------------|---------------|-----------------|
| Flat Rate | \$253,204,776 | \$80,441,754 | \$90,907,279 | \$54,936,106 | \$36,767,178 | \$68,166,108 | \$584,423,200 |
| 1 | \$587,142,138 | \$180,103,706 | \$208,349,756 | \$115,738,094 | \$84,392,720 | \$155,741,921 | \$1,331,468,336 |
| 2 | \$646,494,911 | \$251,280,056 | \$303,124,887 | \$168,881,221 | \$136,095,175 | \$254,853,372 | \$1,760,729,623 |
| 3 | \$250,322,941 | \$132,342,037 | \$166,350,417 | \$98,831,605 | \$85,498,687 | \$167,005,204 | \$900,350,891 |
| 4 | \$110,151,233 | \$63,765,585 | \$91,191,639 | \$53,080,846 | \$46,191,735 | \$94,179,697 | \$458,560,735 |
| 5 | \$57,840,926 | \$35,065,488 | \$55,815,486 | \$32,563,056 | \$28,550,214 | \$61,079,722 | \$270,914,893 |
| 6 | \$33,439,884 | \$20,659,253 | \$33,905,161 | \$19,796,338 | \$17,689,888 | \$35,115,328 | \$160,605,851 |
| 7 | \$23,399,079 | \$15,108,094 | \$23,654,514 | \$13,364,320 | \$11,768,444 | \$27,722,269 | \$115,016,721 |
| 8 | \$16,583,018 | \$10,541,342 | \$16,356,541 | \$11,409,252 | \$10,812,320 | \$23,079,572 | \$88,782,045 |
| 9 | \$11,247,717 | \$8,467,843 | \$11,463,143 | \$8,474,939 | \$6,897,885 | \$17,954,200 | \$64,505,726 |
| 10 | \$8,037,059 | \$6,358,663 | \$9,578,547 | \$7,161,972 | \$6,447,155 | \$14,794,503 | \$52,377,901 |
| 11 | \$7,412,796 | \$4,840,393 | \$7,259,353 | \$5,515,428 | \$4,840,241 | \$12,898,191 | \$42,766,401 |
| 12 | \$5,549,219 | \$4,837,195 | \$5,863,544 | \$4,649,223 | \$5,571,662 | \$9,463,627 | \$35,934,471 |
| 13 | \$4,560,685 | \$3,154,026 | \$5,455,187 | \$3,283,936 | \$3,946,551 | \$8,129,495 | \$28,529,879 |
| 14 | \$3,297,273 | \$2,397,383 | \$3,561,571 | \$3,388,104 | \$2,874,948 | \$6,699,941 | \$22,219,219 |
| 15 | \$3,648,717 | \$2,337,893 | \$3,153,843 | \$2,932,548 | \$3,069,052 | \$6,692,724 | \$21,834,778 |
| 16 | \$2,069,390 | \$1,404,757 | \$3,090,636 | \$1,744,091 | \$2,080,894 | \$6,136,019 | \$16,525,787 |
| 17 | \$2,049,369 | \$1,719,965 | \$2,274,200 | \$2,010,694 | \$1,885,912 | \$5,537,901 | \$15,478,041 |
| 18 | \$1,710,924 | \$1,072,295 | \$1,584,118 | \$1,315,088 | \$1,840,895 | \$4,868,599 | \$12,391,920 |
| 19 | \$1,233,263 | \$1,600,870 | \$1,449,975 | \$1,269,715 | \$1,382,221 | \$5,853,885 | \$12,789,929 |
| 20 | \$1,591,519 | \$949,682 | \$1,538,862 | \$1,266,336 | \$2,151,755 | \$2,466,074 | \$9,964,229 |
| 21 | \$1,577,337 | \$850,874 | \$1,184,318 | \$848,320 | \$1,472,453 | \$3,175,848 | \$9,109,148 |
| 22 | \$1,283,428 | \$1,143,399 | \$1,303,691 | \$1,619,451 | \$917,667 | \$3,047,153 | \$9,314,790 |
| 23 | \$1,049,762 | \$1,104,734 | \$693,496 | \$1,301,692 | \$1,125,170 | \$2,936,804 | \$8,211,658 |
| 24 | \$1,177,109 | \$925,676 | \$1,083,543 | \$829,277 | \$867,713 | \$2,566,896 | \$7,450,215 |
| 25 | \$673,907 | \$617,456 | \$666,887 | \$864,083 | \$582,258 | \$3,245,977 | \$6,650,568 |
| 26 | \$831,238 | \$624,760 | \$678,563 | \$464,662 | \$506,525 | \$2,267,151 | \$5,372,901 |
| 27 | \$850,898 | \$359,345 | \$741,897 | \$521,570 | \$483,650 | \$1,968,134 | \$4,925,495 |
| 28 | \$601,820 | \$327,819 | \$551,516 | \$896,868 | \$325,261 | \$2,135,065 | \$4,838,349 |
| 29 | \$329,491 | \$391,409 | \$466,270 | \$168,489 | \$619,230 | \$1,309,022 | \$3,283,911 |
| 30 | \$916,965 | \$885,784 | \$850,526 | \$476,070 | \$1,200,796 | \$1,484,434 | \$5,814,575 |
| 31 | \$1,017,217 | \$175,607 | \$239,937 | \$290,659 | \$276,912 | \$1,663,402 | \$3,663,733 |
| 32 | \$451,698 | \$475,503 | \$210,477 | \$664,553 | \$302,715 | \$1,335,538 | \$3,440,485 |
| 33 | \$573,737 | \$345,853 | \$209,410 | \$260,552 | \$252,694 | \$1,248,419 | \$2,880,665 |
| 34 | \$525,905 | \$260,727 | \$104,324 | \$566,059 | \$297,216 | \$1,090,320 | \$2,844,551 |
| 35 | \$630,491 | \$686,518 | \$175,139 | \$340,996 | \$343,962 | \$1,550,441 | \$3,727,546 |
| 36 | \$450,100 | \$45,129 | \$340,553 | \$438,023 | \$285,225 | \$1,347,867 | \$2,906,897 |
| 37 | \$222,512 | \$55,065 | \$102,222 | \$228,060 | \$230,977 | \$919,873 | \$1,758,710 |
| 38 | \$291,846 | \$120,895 | \$207,200 | \$183,742 | \$1,829,606 | \$543,025 | \$3,176,314 |
| 39 | \$173,311 | \$178,034 | \$85,432 | \$296,222 | \$301,669 | \$1,425,523 | \$2,460,191 |
| 40 | \$161,264 | \$205,137 | \$134,089 | \$93,131 | \$356,120 | \$765,825 | \$1,715,566 |
| 41 | \$346,118 | \$228,787 | \$263,828 | \$170,675 | \$107,943 | \$1,274,085 | \$2,391,438 |
| 42 | \$117,965 | \$98,262 | \$78,859 | \$67,347 | \$171,472 | \$286,953 | \$820,858 |
| 43 | \$95,362 | \$148,820 | \$248,453 | \$81,802 | \$154,604 | \$730,820 | \$1,459,862 |
| 44 | \$232,646 | \$96,350 | \$105,968 | \$65,369 | \$251,852 | \$536,456 | \$1,288,640 |
| 45 | \$78,439 | \$20,540 | \$194,293 | \$56,739 | \$121,188 | \$1,661,987 | \$2,133,185 |
| 46 | \$81,753 | \$121,843 | \$122,735 | \$80,703 | \$284,256 | \$992,241 | \$1,683,532 |
| 47 | \$44,943 | \$34,100 | \$106,545 | \$81,996 | \$165,730 | \$374,445 | \$807,759 |
| 48 | \$45,101 | \$29,115 | \$92,139 | \$30,198 | \$59,859 | \$222,240 | \$478,652 |

Priority Mail
Estimated Revenue

Attachment F
 Page 15 of 17

| Weight to: <u>(Pounds)</u> | <u>L_1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Total</u> |
|-------------------------------|--------------------|---------------|-----------------|---------------|-------------------------------------|-----------------|-----------------|
| 49 | \$19,538 | \$20,756 | \$156,528 | \$135,886 | \$86,498 | \$680,178 | \$1,099,385 |
| 50 | \$90,504 | \$142,984 | \$23,493 | \$223,866 | \$76,292 | \$305,371 | \$862,510 |
| 51 | \$41,408 | \$0 | \$179,010 | \$23,714 | \$22,470 | \$194,276 | \$460,878 |
| 52 | \$53,413 | \$13,403 | \$424,695 | \$0 | \$1,682 | \$385,509 | \$878,702 |
| 53 | \$98,159 | \$72,507 | \$26,506 | \$22,561 | \$81,992 | \$223,036 | \$624,760 |
| 54 | \$58,621 | \$16,606 | \$257,336 | \$14,334 | \$7,213 | \$612,520 | \$966,629 |
| 55 | \$60,071 | \$8,364 | \$45,767 | \$30,198 | \$36,327 | \$459,263 | \$629,989 |
| 56 | \$55,738 | \$29,991 | \$44,822 | \$68,225 | \$20,644 | \$899,577 | \$1,118,997 |
| 57 | \$169,324 | \$45,526 | \$0 | \$18,582 | \$80,446 | \$220,413 | \$534,292 |
| 58 | \$29,602 | \$63,091 | \$72,688 | \$37,798 | \$21,598 | \$261,102 | \$485,879 |
| 59 | \$36,637 | \$0 | \$0 | \$86,188 | \$26,184 | \$0 | \$149,008 |
| 60 | \$54,694 | \$9,694 | \$1,248,337 | \$171,488 | \$21,094 | \$171,712 | \$1,877,020 |
| 61 | \$14,178 | \$38,232 | \$374,029 | \$239,971 | \$0 | \$286,066 | \$952,476 |
| 62 | \$14,079 | \$0 | \$14,985 | \$5,076 | \$0 | \$21,893 | \$56,033 |
| 63 | \$2,045 | \$73,109 | \$0 | \$0 | \$56,901 | \$34,872 | \$166,926 |
| 64 | \$7,672 | \$0 | \$11,804 | \$15,889 | \$17,847 | \$0 | \$53,212 |
| 65 | \$13,738 | \$49,872 | \$0 | \$0 | \$18,113 | \$155,268 | \$236,992 |
| 66 | \$5,262 | \$46,924 | \$10,715 | \$19,590 | \$18,380 | \$0 | \$100,872 |
| 67 | \$60,228 | \$0 | \$0 | \$16,595 | \$0 | \$35,275 | \$112,097 |
| 68 | \$1,867 | \$0 | \$0 | \$61,487 | \$34,391 | \$3,659 | \$101,403 |
| 69 | \$0 | \$0 | \$95,054 | \$58,004 | \$47,419 | \$0 | \$200,478 |
| 70 | \$0 | \$0 | \$0 | \$125,443 | \$0 | \$32,888 | \$158,331 |
| Total | \$2,046,695,978 | \$839,636,880 | \$1,060,156,740 | \$624,975,117 | \$515,325,748 | \$1,035,527,173 | \$6,122,317,635 |
| | | | | | Revenue Target (Attachment F, p. 4) | | \$6,122,086,030 |
| | | | | | Difference | | \$231,605 |
| | | | | | Percent Difference | | 0.00% |

Sources: By rate cell, Attachment F, p. 14 * Attachment F, p. 3

Priority Mail

Attachment F
Page 16 of 17

Priority Mail
Change in Rates From R2000-1 After Modification

Attachment F
Page 16 of 17

Weight to:

| <u>(Pounds)</u> | <u>L.1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Avg.</u> |
|-----------------|--------------------|---------------|---------------|---------------|---------------|---------------|-------------|
| 43 | 18.5% | 18.4% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 44 | 18.6% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 45 | 18.5% | 18.4% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 46 | 18.6% | 18.5% | 18.6% | 18.5% | 18.5% | 18.5% | 18.5% |
| 47 | 18.5% | 18.5% | 18.6% | 18.5% | 18.5% | 18.5% | 18.5% |
| 48 | 18.6% | 18.5% | 18.6% | 18.5% | 18.5% | 18.5% | 18.5% |
| 49 | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 50 | 18.4% | 18.6% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 51 | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 52 | 18.4% | 18.6% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 53 | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 54 | 18.4% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 55 | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 56 | 18.4% | 18.5% | 18.4% | 18.5% | 18.5% | 18.5% | 18.5% |
| 57 | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 58 | 18.4% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 59 | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 60 | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 61 | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 62 | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 63 | 18.5% | 18.6% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 64 | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 65 | 18.6% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 66 | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 67 | 18.6% | 18.6% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 68 | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 69 | 18.6% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |
| 70 | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% | 18.5% |

Sources: By rate cell, (Attachment F, p. 14 / Attachment B, p. 6) - 1

Priority Mail
Cost Coverage Comparisons

Attachment F
 Page 17 of 17

Weight to:

| <u>(Pounds)</u> | <u>L,1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Average</u> |
|-----------------|--------------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Flat Rate | 187% | 170% | 161% | 158% | 151% | 145% | 169% |
| 1 | 190% | 175% | 167% | 164% | 158% | 152% | 174% |
| 2 | 175% | 174% | 174% | 173% | 174% | 174% | 174% |
| 3 | 173% | 173% | 174% | 173% | 174% | 174% | 174% |
| 4 | 174% | 174% | 174% | 174% | 174% | 174% | 174% |
| 5 | 174% | 174% | 174% | 174% | 174% | 174% | 174% |
| 6 | 172% | 171% | 164% | 156% | 156% | 153% | 162% |
| 7 | 171% | 171% | 158% | 153% | 154% | 155% | 160% |
| 8 | 171% | 171% | 154% | 150% | 153% | 156% | 159% |
| 9 | 172% | 171% | 150% | 148% | 151% | 157% | 158% |
| 10 | 171% | 170% | 147% | 147% | 150% | 158% | 156% |
| 11 | 171% | 168% | 144% | 147% | 149% | 158% | 156% |
| 12 | 172% | 165% | 141% | 147% | 149% | 159% | 155% |
| 13 | 171% | 163% | 139% | 148% | 148% | 159% | 154% |
| 14 | 171% | 160% | 137% | 148% | 147% | 160% | 154% |
| 15 | 171% | 159% | 136% | 148% | 146% | 160% | 154% |
| 16 | 171% | 157% | 134% | 148% | 146% | 160% | 153% |
| 17 | 171% | 156% | 133% | 148% | 146% | 161% | 153% |
| 18 | 171% | 154% | 133% | 148% | 145% | 161% | 154% |
| 19 | 171% | 153% | 133% | 148% | 145% | 161% | 154% |
| 20 | 171% | 152% | 133% | 147% | 145% | 161% | 151% |
| 21 | 171% | 151% | 133% | 148% | 144% | 162% | 153% |
| 22 | 171% | 150% | 132% | 147% | 144% | 162% | 152% |
| 23 | 171% | 149% | 133% | 148% | 144% | 162% | 153% |
| 24 | 171% | 148% | 133% | 147% | 143% | 162% | 153% |
| 25 | 171% | 148% | 132% | 148% | 143% | 162% | 154% |
| 26 | 171% | 147% | 132% | 148% | 143% | 162% | 154% |
| 27 | 171% | 146% | 132% | 148% | 143% | 162% | 154% |
| 28 | 171% | 146% | 132% | 148% | 143% | 163% | 154% |
| 29 | 171% | 145% | 132% | 147% | 143% | 163% | 152% |
| 30 | 171% | 145% | 132% | 148% | 143% | 163% | 150% |
| 31 | 171% | 144% | 132% | 147% | 142% | 163% | 158% |
| 32 | 171% | 143% | 132% | 147% | 142% | 163% | 154% |
| 33 | 171% | 143% | 132% | 147% | 142% | 163% | 156% |
| 34 | 171% | 143% | 132% | 147% | 142% | 163% | 155% |
| 35 | 171% | 142% | 132% | 147% | 142% | 163% | 155% |
| 36 | 171% | 142% | 132% | 147% | 142% | 163% | 155% |
| 37 | 171% | 142% | 132% | 147% | 142% | 163% | 156% |
| 38 | 171% | 142% | 132% | 148% | 142% | 163% | 147% |
| 39 | 171% | 142% | 132% | 148% | 141% | 164% | 156% |
| 40 | 170% | 142% | 132% | 147% | 141% | 164% | 153% |
| 41 | 170% | 142% | 132% | 148% | 141% | 164% | 156% |
| 42 | 170% | 142% | 132% | 147% | 141% | 164% | 152% |

**Priority Mail
Cost Coverage Comparisons**

Attachment F
Page 17 of 17

Weight to:

| <u>(Pounds)</u> | <u>L, 1,2&3</u> | <u>Zone 4</u> | <u>Zone 5</u> | <u>Zone 6</u> | <u>Zone 7</u> | <u>Zone 8</u> | <u>Average</u> |
|-----------------|---------------------|---------------|---------------|---------------|---------------|---------------|----------------|
| 43 | 169% | 142% | 132% | 147% | 141% | 164% | 152% |
| 44 | 169% | 142% | 132% | 147% | 141% | 164% | 154% |
| 45 | 169% | 142% | 132% | 147% | 141% | 164% | 158% |
| 46 | 168% | 142% | 132% | 147% | 141% | 164% | 154% |
| 47 | 168% | 142% | 132% | 147% | 141% | 164% | 151% |
| 48 | 168% | 142% | 132% | 148% | 141% | 164% | 152% |
| 49 | 167% | 142% | 131% | 147% | 141% | 164% | 154% |
| 50 | 167% | 142% | 132% | 147% | 141% | 164% | 153% |
| 51 | 167% | 142% | 131% | 147% | 141% | 164% | 148% |
| 52 | 167% | 142% | 132% | 148% | 141% | 164% | 146% |
| 53 | 166% | 142% | 131% | 147% | 141% | 164% | 154% |
| 54 | 166% | 141% | 132% | 147% | 141% | 164% | 153% |
| 55 | 166% | 142% | 132% | 147% | 141% | 164% | 159% |
| 56 | 166% | 142% | 131% | 147% | 141% | 164% | 160% |
| 57 | 166% | 142% | 131% | 147% | 141% | 164% | 158% |
| 58 | 165% | 142% | 131% | 147% | 141% | 164% | 153% |
| 59 | 165% | 142% | 131% | 147% | 141% | 164% | 150% |
| 60 | 165% | 142% | 131% | 147% | 141% | 164% | 137% |
| 61 | 165% | 142% | 131% | 147% | 141% | 164% | 145% |
| 62 | 165% | 141% | 131% | 147% | 141% | 164% | 153% |
| 63 | 165% | 142% | 131% | 147% | 141% | 164% | 146% |
| 64 | 164% | 142% | 131% | 147% | 140% | 164% | 143% |
| 65 | 164% | 141% | 131% | 147% | 140% | 164% | 157% |
| 66 | 164% | 142% | 131% | 147% | 140% | 164% | 142% |
| 67 | 164% | 142% | 131% | 147% | 140% | 164% | 161% |
| 68 | 164% | 141% | 131% | 147% | 140% | 164% | 146% |
| 69 | 164% | 141% | 131% | 147% | 140% | 164% | 138% |
| 70 | 163% | 142% | 131% | 147% | 140% | 164% | 151% |

Sources

Zones: By rate cell, Attachment F, p. 14 / Attachment F, p. 1

Average: Total revenue from Attachment F, p. 15 / total cost, where total cost = the sum across all zones of unit cost from Attachment F, p. 1 * volume from Attachment F, p. 3

Pickup Fee Development

Attachment G

Test Year Before Rates

| | | | Scheduled | | |
|---|---|--------------|---------------|---------------|-------------|
| | | | On-Call Stops | Stops | Total Stops |
| (a) USPS-LR-J-108 | Express Mail | 328,607 | 161,131 | 489,738 | |
| (b) Attachment B, p. 3, distributed according to FY '00 | Priority Mail | 274,808 | 4,168 | 278,976 | |
| (c) USPS-T-33, workpapers PP-1, PP-13, PP-30 | Parcel Post | 36,569 | 557 | 37,126 | |
| (d) = (a) + (b) + (c) | Total | 639,984 | 165,856 | 805,840 | |
| (e) USPS-T-42, Appendix A, p. 2 | Cost per Stop | \$ 12.366 | \$ 10.916 | | |
| (f) = (d) * (e) | Total Cost | \$ 7,914,041 | \$ 1,810,483 | \$ 9,724,524 | |
| (g) USPS-T-6 | Contingency Factor | | | 3.0% | |
| (h) = (f) * [1+(g)] | Total Cost Including Contingency | | | \$ 10,016,259 | |
| (i) = (h) / (d) | Average Cost per Stop Including Contingency | | | \$ 12.43 | |
| (j) | Proposed Pickup Fee | | | \$ 12.50 | |

Test Year After Rates

| | <u>Stops</u> | | | Scheduled | |
|---|---------------|--------------|--------------|---------------|-------|
| | | | | On-Call Stops | Stops |
| (k) USPS-LR-J-108 | Express Mail | 297,430 | 145,843 | 443,273 | |
| (l) Attachment C, p. 4, distributed according to FY '00 | Priority Mail | 257,689 | 3,908 | 261,597 | |
| (m) USPS-T-33, workpapers PP-1, PP-13, PP-30 | Parcel Post | 29,913 | 456 | 30,369 | |
| (n) = (k) + (l) + (m) | Total | 585,033 | 150,207 | 735,239 | |
| <u>Costs Including Contingency</u> | | | | | |
| (o) = (e) * (k) * [1+(g)] | Express Mail | \$ 3,788,360 | \$ 1,639,783 | \$ 5,428,143 | |
| (p) = (e) * (l) * [1+(g)] | Priority Mail | \$ 3,282,181 | \$ 43,942 | \$ 3,326,124 | |
| (q) = (e) * (m) * [1+(g)] | Parcel Post | \$ 381,007 | \$ 5,122 | \$ 386,129 | |
| (r) = (o) + (p) + (q) | Total | \$ 7,451,548 | \$ 1,688,847 | \$ 9,140,395 | |
| <u>Revenue</u> | | | | | |
| (s) = (j) * (k) | Express Mail | \$ 3,717,875 | \$ 1,823,038 | \$ 5,540,913 | |
| (t) = (j) * (l) | Priority Mail | \$ 3,221,114 | \$ 48,853 | \$ 3,269,967 | |
| (u) = (j) * (m) | Parcel Post | \$ 373,918 | \$ 5,694 | \$ 379,613 | |
| (v) = (s) + (t) + (u) | Total | \$ 7,312,907 | \$ 1,877,585 | \$ 9,190,492 | |
| (w) = (v) / (r) | Cost Coverage | | | 100.5% | |

The Colography Group, Inc.
DOMESTIC QUARTERLY MARKET GROWTH AND COMPETITOR SHARE REPORT

TOTAL SECOND-DAY AND THREE-DAY AIR LETTERS AND PACKAGES

Percent Market Share Of Pieces

| | FEDEX EXPRESS | UPS | AIRBORNE | PRIORITY MAIL | EMERY | DHL | SAX | TOTAL TOP COMPETITORS | ALL OTHER COMPETITORS | TOTAL MARKET | TOTAL MARKET WITHOUT USPS |
|-------------|------------------|-------|----------|------------------|-------|------|------|--------------------------|--------------------------|-----------------|------------------------------------|
| 1996 | | | | | | | | | | | |
| 1st Quarter | 15.0% | 16.9% | 7.2% | 60.5% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 39.5% |
| 2nd Quarter | 13.8% | 17.3% | 6.2% | 62.3% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 37.7% |
| 3rd Quarter | 14.0% | 16.3% | 5.1% | 64.1% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 35.9% |
| 4th Quarter | 13.8% | 19.0% | 4.1% | 62.6% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 37.4% |
| Total | 14.2% | 17.4% | 5.6% | 62.4% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 37.6% |
| 1997 | | | | | | | | | | | |
| 1st Quarter | 17.1% | 16.9% | 4.2% | 61.4% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 38.6% |
| 2nd Quarter | 16.0% | 17.0% | 4.5% | 62.1% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 37.9% |
| 3rd Quarter | 17.4% | 12.7% | 4.8% | 64.5% | 0.1% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 35.6% |
| 4th Quarter | 15.8% | 17.2% | 4.0% | 62.7% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 37.3% |
| Total | 16.6% | 16.0% | 4.3% | 62.7% | 0.0% | 0.2% | 0.1% | 99.8% | 0.1% | 100.0% | 37.3% |
| 1998 | | | | | | | | | | | |
| 1st Quarter | 18.6% | 15.1% | 4.2% | 61.7% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 38.3% |
| 2nd Quarter | 18.3% | 15.0% | 4.3% | 62.0% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 38.0% |
| 3rd Quarter | 18.1% | 14.4% | 4.2% | 62.8% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 37.2% |
| 4th Quarter | 15.7% | 15.7% | 3.9% | 64.4% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 35.6% |
| Total | 17.6% | 15.1% | 4.1% | 62.8% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 37.2% |
| 1999 | | | | | | | | | | | |
| 1st Quarter | 19.1% | 15.1% | 4.2% | 61.3% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 38.7% |
| 2nd Quarter | 18.5% | 15.6% | 4.2% | 61.3% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 38.7% |
| 3rd Quarter | 18.1% | 16.0% | 4.6% | 61.0% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 39.0% |
| 4th Quarter | 15.5% | 16.8% | 3.8% | 63.6% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 36.4% |
| Total | 17.7% | 15.9% | 4.2% | 61.9% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 38.1% |
| 2000 | | | | | | | | | | | |
| 1st Quarter | 19.0% | 15.9% | 4.4% | 60.4% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 39.6% |
| 2nd Quarter | 18.6% | 16.2% | 4.4% | 60.5% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 39.5% |
| 3rd Quarter | 18.4% | 16.4% | 4.6% | 60.3% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 39.7% |
| 4th Quarter | 15.9% | 17.9% | 4.9% | 61.0% | 0.0% | 0.2% | 0.0% | 99.9% | 0.1% | 100.0% | 39.0% |
| Total | 17.9% | 16.6% | 4.8% | 60.5% | 0.0% | 0.2% | 0.1% | 99.9% | 0.1% | 100.0% | 39.5% |
| 2001 | | | | | | | | | | | |
| 1st Quarter | 18.3% | 16.6% | 5.4% | 69.4% | 0.0% | 0.2% | 0.0% | 99.9% | 0.1% | 100.0% | 40.6% |
| 2nd Quarter | 17.8% | 17.4% | 5.8% | 58.6% | 0.0% | 0.2% | 0.0% | 99.9% | 0.1% | 100.0% | 41.4% |
| 3rd Quarter | | | | | | | | | | | |
| 4th Quarter | | | | | | | | | | | |
| Total | 18.0% | 17.0% | 5.6% | 59.0% | 0.0% | 0.2% | 0.0% | 99.9% | 0.1% | 100.0% | 41.0% |

